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Daily Report
East Asia

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Japan

Japan: Hashimoto, U.S. Ambassador Discuss Clinton Visit

OW0204110696 Tokyo KYODO in English 1048 GMT 2 Apr 96

[FBIS Transcribed Text] Tokyo, April 2 KYODO — Prime Minister Ryutaro Hashimoto and U.S. Ambassador to Japan Walter Mondale discussed Tuesday [2 April] the planned visit to Japan of U.S. President Bill Clinton on April 16-18, a Foreign Ministry official said.

They did not confer on specific issues such as the expiration on Sunday at midnight of the leases for part of a U.S. military communications facility in Okinawa Prefecture, southwestern Japan, he said.

The U.S. military use of the 236-square-meter lot, owned by a 47-year-old local resident, now lacks a clear legal basis.

Hashimoto and Mondale shared views that the Clinton visit should be made a success and that Japanese and U.S. leaders will discuss a broad range of security and economic issues, the bilateral common agenda on global problems and the promotion of mutual exchanges of both countries' peoples, the official said.

Japan: Police Officials Discuss Security for Clinton Visit

OW0204084596 Tokyo KYODO in English 0631 GMT 2 Apr 96

[FBIS Transcribed Text] Tokyo, April 2 KYODO — The Metropolitan Police Department convened a meeting of 500 senior police officers Tuesday [2 April] to discuss security concerns during the upcoming Japan visit of U.S. President Bill Clinton.

Superintendent General Yukihiko Inoue called on the officers "to make full play of police capabilities in an organized and effective way."

He urged them to be aware that international attention is focused on security in Japan, given that the investigation into the doomsday cult Aum Shinrikyo, whose leaders are charged with last year's nerve gas attack on Tokyo subways and other crimes, is still going on.

Clinton will arrive in Tokyo on April 16 for a three-day official visit. He is slated to meet for talks with Prime Minister Ryutaro Hashimoto.

Japan: Defense Communique With U.S. To Clarify Cooperation

OW0104141896 Tokyo SANKEI SHIMBUN (Morning Edition) in Japanese 31 Mar 96 p 1

[FBIS Translated Text] On 30 March, the government decided to clearly note "promotion of Japan-U.S. defense cooperation" in the joint communique to be issued following the Japan-U.S. summit talks in April. Tokyo and Washington have already started last-minute adjustments. To improve Japan's support system for U.S. forces, the government will propose joint studies on upgrading of the "guidelines for Japan-U.S. defense cooperation," aiming at preparation of a working-level consultative body under the bilateral security committee of foreign and defense ministers (2 plus 2).

The government intends to promote consultations on a "Far East emergency," including an emergency on the Korean Peninsula, at the working-level talks under the "2 plus 2" formula.

As definite topics, the government will propose case studies on such subjects as policies for U.S. use of Self-Defense Forces bases and the extent of Japan's logistics support, such as supply services under the framework of the Japanese Constitution.

The government has been saying joint study of the guidelines "is not an urgent subject" (as noted by a senior Defense Agency official).

However, the U.S. Government noted Japan's inadequate preparation for emergency defense cooperation when relations between the PRC and Taiwan were strained. The government determined to promote defense cooperation partly because it is a prerequisite for any future scaledown of U.S. bases in Okinawa, such as Marine Corps Air Station Futenma.

Japan: Government Says Treaty With U.S. Justifies Entry Ban

OW0204054096 Tokyo KYODO in English 0517 GMT 2 Apr 96

[FBIS Transcribed Text] Naha, Japan, April 2 KYODO — The government cited Tuesday [2 April] an agreement with the United States as grounds for denying the owner of land housing part of a U.S. military facility in southwestern Japan entry to the land after its rental contract expired Sunday.

Officials at the Defense Facilities Administration agency said the refusal is "unavoidable" under the terms of the Status of Forces Agreement with the U.S. on Monday, the agency turned down the request Monday by the landowner, Shoichi Chibana, a 47-year-old grocer.

Chibana is demanding access to and the return of a 236-square-meter plot of land, which is part of a 530,000-sq.-meter tract on which the Sobe communications facility stands.

The site is in Yomitan, located in the central part of Okinawa, the largest island of the nation's southwesternmost prefecture.

The lease for the land on which the facility stands expired at midnight Sunday, leaving it occupied by the U.S. military without a clear legal basis in the wake of Okinawa Gov. Masahide Ota's refusal to sign papers compulsorily renewing the lease.

The officials said that under the bilateral agreement, "The U.S. military has right of control over facilities and areas supplied to it and that after coordinating with the U.S. military, it is considered there is a risk of harm to the operation of the communications facility."

The officials also said that even if the lease permitting the government's use of the land expires, it can refuse entry to a landowner "where this poses a hindrance to the operation of the facility" because the U.S. military has the "right of management" and can continue to use the facility under the terms of the Japan-U.S. Security Treaty.

Meanwhile, Chibana said agency officials told him Monday that they planned to give him 1,352 yen Tuesday morning as payment for use of the land Monday and Tuesday, the first two days after expiry of the lease.

But he said an agency official told him Tuesday that they were unable to visit him to make the payment because of the presence of reporters.

Agency officials said they plan to pay Chibana on a daily basis for use of the land for the time being.

On Monday, Chibana asked the Naha District Court to lift restrictions on his entry to the land. Hearings on his request will begin Friday.

Also Tuesday, a top government spokesman said the government has not completely ruled out allowing Chibana entry to the land.

Chief Cabinet Secretary Seiroku Kajiyama, however, declined to clarify under what circumstances the government would give Chibana access to the land.

On Monday, Chibana went to the gate of a fence the government recently constructed around the facility, and demanded entry, but was turned away by agency officials.

The cabinet of Prime Minister Ryutaro Hashimoto has said the lease expiry does not necessarily mean the land is illegally occupied, arguing that Japan is obliged to provide the U.S. armed forces in Japan with land under the bilateral security arrangement.

The government has filed a request with Okinawa's prefectural land expropriation committee to permit "emergency" use of the land for six months pending completion of a series of legal procedures to enable the compulsory continuation of leases.

Japan: Naha, Okinawa Mayors Said To Reject Lease Renewal

OW0104140796 Tokyo MAINICHI SHIMBUN (Morning Edition) in Japanese 1 Apr 96 p 1

[By Western News Division reporter Shunji Nozawa]

[FBIS Translated Text] The mayors of Naha and Okinawa City, where city-owned land is occupied by U.S. military bases, intend to refuse the renewal of leases of the land to the U.S. military, it was learned on 31 March. The mayors indicated their position in response to a MAINICHI SHIMBUN questionnaire distributed to the heads of 19 municipalities in Okinawa. The results also show that the Okinawa City mayor has indicated his intention to refuse to renew a contract with the Self-Defense Forces [SDF] for land leases, while six other municipal heads said they had "not yet decided."

As the chief of Kitanakagusuku village has already announced he will defer the renewal of the lease on village-owned land to Camp Zukeran beyond its April 1 expiry date, "a rebellion of municipal heads" in Okinawa is expected to grow from now on.

In the survey, the heads of 19 municipalities were asked "if they will renew contracts on leases of city or village-owned land."

Okinawa Mayor Shusei Arakawa said he "will refuse to renew the contract" on city-owned land in seven facilities, including plots (together measuring about 4,740,000 square meters) in the Kadena ammunition storage area that expires in April of the year 2000. He also said he would reject the renewal of a contract on land (89,000 square meters, on which the lease expires in April of the year 2000) in Ground SDF's Shirakawa station on the basis that "the base is jeopardizing the citizens' safety."

Mayor Kosei Oyadomari of Naha City, which has rejected contract renewal since Okinawa's reversion to Japan, said he would refuse to renew the lease on city-owned land (1500 square meters) in the Naha Military Port, which expires on 14 May 1997. In the past, the prefectural governor has the signed documents needed for forced leases. However, after Governor Ota last fall refused to sign the paperwork for a forced extension of land leases, and the heads of municipalities begun to express their intention of rejecting lease renewal. Mayor Oyadomari said: "We will maintain our policy of refusing to renew leases because more than 21 years have passed since the Japanese and the U.S. governments reached agreement on the return of Naha Military Port."

Japan: Entry of Okinawa Landowner to Land Not Ruled Out

OW0204041096 Tokyo KYODO in English 0354 GMT 2 Apr 96

[FBIS Transcribed Text] Tokyo, April 2 KYODO — The government does not completely rule out entry of an Okinawa resident to his land housing part of a U.S. military facility after the contract leasing his plot to the U.S. forces expired Sunday [2 April], a top government spokesman said Tuesday.

Chief Cabinet Secretary Seiroku Kajiyama, however, declined to clarify under what circumstances the government would allow Shoichi Chibana, a 47-year-old local grocer, to set foot on his 236-square-meter plot in the Sobe Communications Facility in Yomitan, Okinawa Prefecture.

On Monday, Chibana went to the gate in a fence the government recently constructed around the facility, and demanded entry, but was turned away by officials of the Defense Facilities Administration Agency.

The contract leasing the land to the U.S. facility expired at midnight Sunday, in the wake of Okinawa Gov. Masahide Ota's refusal to sign papers compulsorily renewing the lease.

Chibana filed a request Monday with the Naha District Court asking it to order an end to measures preventing him from entering his land.

The cabinet of Prime Minister Ryutaro Hashimoto has said the lease expiry does not necessarily mean the land is illegally occupied, arguing that Japan is obliged to provide the U.S. armed forces in Japan with land under the bilateral security arrangement.

The government has filed a request with Okinawa's prefectural land expropriation committee to permit "emergency" use of the land for six months pending completion of a series of legal procedures to enable the compulsory continuation of its use.

Kajiyama later said the cabinet of former Prime Minister Tomiichi Murayama is responsible for causing the illegal occupation of Chibana's land plot.

At that time, they might have chosen the best way, but the outcome shows they were overly optimistic," Kajiyama told the House of Representatives budget committee.

Kajiyama was referring to Murayama's decision to take legal steps quickly to make it possible for the government to use Chibana's land legally for U.S. military use when Ota refused to sign the documents.

Japan: Bureaucrats' Role in Okinawa Base Issues Viewed

OW0104060296 Naha RYUKYU SHIMPO (Morning Edition) in Japanese 31 Mar 96 p 5

[Editorial: "Defense Bureaucrats Urged To Become Submissive"]

[FBIS Translated Text] We are amazed by the fact that defense bureaucrats recently made remarks lacking a sense of human rights. We wonder if the bureaucrats can protect the people's rights guaranteed by the Constitution, and the rights of the people as individuals to life, liberty, and the pursuit of happiness? All public servants have an obligation to respect and safeguard the Constitution, but those remarks were totally devoid of such an awareness.

Commenting on a plot of land at the Sobe Communications Facility (commonly called Elephant Cage) in Yomitan — a lease for forceful use of the land will expire on 31 March — Masuo Morotomi, director general of the Defense Facilities Administration Bureau [DFAB], explained a policy of not allowing landowner Shoichi Chibana to enter his land even after the central government loses its right to use the plot. Morotomi said the reason for this "takes into consideration the landowner's various speeches and past behavior."

Mr. Chibana burned a rising-sun flag that was hoisted at a softball field at the time of the 1987 Kaiho National Athletic Meet. He was found guilty and given probation for illegal trespassing and other offenses. This flag burning incident and the court ruling created a major controversy. However, we are certain that such incidents cannot be used as reasons for denying a landowner access to his land after the government loses its legal foundation for forced use of the land. There is no doubt that the property right belongs not to the government but the landowner. It is obvious that Morotomi's remarks are irrelevant. Nobody can complain about the criticism that "he is not worthy of being a public servant who should uphold the law" (according to Morimoto Nagayoshi, executive director of the Okinawa Human Rights Association, and a lawyer).

It seems the government has overreacted in the matter of forceful use of military land. Lately, senior government officials and bureaucrats have made remarks and comments, one after another, which make us wonder if Japan is really a constitutional state.

Chief Cabinet Secretary Seiroku Kajiyama also made one such remark. Commenting on expiration of the lease for the plot at the Elephant Cage, Kajiyama said, among other things, that continuation of forceful use of the land on the basis of obligations under the Japan-U.S. Security Treaty "would not immediately mean an illegal situation." He said this by using various legal and administrative terms. To speak in plain language, however, what he said is tantamount to assuming a defiant attitude, saying that although the government does not have the right to use the land, there is no problem no matter what the landowner says because the government will pay the rent later.

Referring to Prime Minister Murayama — who hesitated to go through due formalities, including an order for Governor Ota to perform his duty of proxy signing — former DFAB Director General Noboru Hoshuyama said that "he is stupid." Later, Hoshuyama was forced to resign from his post. But defense bureaucrats like Hoshuyama are also to blame for the current situation. An agreement was reached at the Japan-U.S. summit talks held when Okinawa was returned to Japan on a policy to do their best for reorganization and reduction of U.S. military bases on Okinawa. Nevertheless, the government did not exert concrete efforts. Now that the "expiration of the lease" is imminent, the government is quibbling without giving consideration to how it looks.

The defense bureaucrats may say that politicians are responsible for the current situation. Needless to say, defense bureaucrats, who are supposedly very familiar with the base issues and situation in Okinawa, had an obligation to give appropriate reports and advice to top government officials and politicians. Who neglected to perform that duty? It is time for the government, which has been dealing lightly with the Okinawan bases issue, to do what it has been neglecting.

Japan: Obstacles To Reducing U.S. Bases in Japan Viewed

OW0104130296 Tokyo YOMIURI SHIMBUN (Morning Edition) in Japanese 30 Mar 96 Morning Edition p 2

[Interview with Hisahiko Okazaki, former Japanese ambassador to Thailand, by YOMIURI SHIMBUN; place and date not given]

[FBIS Translated Text] [YOMIURI SHIMBUN] A controversy reportedly arose at first over reviewing the Japanese-U.S. security arrangement in 1972 when diplomatic relations between Japan and the PRC were normalized.

[Okazaki] There was controversy within the Foreign Ministry, too. There were arguments going on suggesting that the military aspect of the Japan-U.S. security arrangement be watered down or that it be given a more moderate nature. When I used to be in Washington, the director of the Japanese Affairs Section under the U.S. State Department's East Asia and Pacific Affairs Bureau was upset and made some angry remarks. Nobuhiko Ushiba, who was then Japanese ambassador to the United States, similarly made angry remarks because a certain high-ranking official in the Japanese Foreign Ministry who had made those comments about watering down the military aspect of the security arrangement visited the United States. However, that official said: "I never said that." The reason for all this fuss was the atmosphere (of Japanese-Chinese friendship) at the time.

[YOMIURI SHIMBUN] Was not the United States at the time, as well as now, hoping that Japan would try to rectify the one-sidedness of the security arrangement [where the United States would come to defend Japan in case Japan came under attack] and strengthen it instead?

[Okazaki] That is why Ambassador Ushiba was upset. However, under the atmosphere at the time, pro-Chinese groups were the liberals and progressives, while the pro-U.S. groups were not so. Pro-Taiwanese groups were conservatives and reactionaries. At that time, the perception of the importance of the Japanese-U.S. security arrangement did waver.

[YOMIURI SHIMBUN] How was that perception restored?

[Okazaki] After all, what was going on probably was merely a commotion that had no real meaning, because the controversy developed in an atmosphere that lasted only temporarily. I believe that both politicians and senior Foreign Ministry officials were intellectual liars. They would not come out front and prove that Japanese-U.S. relations are more important than Japanese-Chinese relations.

[YOMIURI SHIMBUN] As a result of issues related to U.S. military bases on Okinawa, controversy over reviewing the Japan-U.S. security arrangement has reemerged.

[Okazaki] I believe these issues will be short-lived and eventually fade away. In a way, Okinawan issues stem from the Okinawan people's feelings of being oppressed. Therefore, the government needs to show sympathy, but the security and prosperity of the entire Japanese population must not be endangered. Former

Prime Minister Tomiichi Murayama said he advocated the maintenance of the U.S. military presence in Asia and intended to reconfirm the Japanese-U.S. security alliance, but after the rape incident, he said: "I intend to prevent the permanent stationing of U.S. forces in Japan." That shows his lack of intellectual consistency.

[YOMIURI SHIMBUN] Some politicians considered to be progressives are arguing that what is necessary is not "reconfirmation" of the security arrangement as the government asserts, but rather "redefinition."

[Okazaki] That is a misunderstanding. To the United States, "redefinition" only means strengthening the security arrangement. There can be no redefinition in the sense of weakening the arrangement. The government decided not to use it (redefinition) and instead chose to use the term reconfirmation because the Murayama administration could not strengthen the security arrangement.

[YOMIURI SHIMBUN] Is it that arguments to weaken the Japanese-U.S. security arrangement can never be convincing?

[Okazaki] Arguments from the standpoint of strategy required to protect Japan rule out any counterarguments that the Japan-U.S. security arrangement should be weakened. Those that do come out are irresponsible arguments that only touch the surface.

[YOMIURI SHIMBUN] Some scholars in the United States who are experts on Japan have argued that U.S. forces on Okinawa could be relocated to Hawaii or Guam.

[Okazaki] The 100,000 troops that have to be deployed in Asia according to the U.S. Report on East Asian Strategy [Nye Report] is based on calculations of how many troops are necessary in case of emergency.

[YOMIURI SHIMBUN] Some critics argue that the figures are unreliable because Japan is not allowed to participate in the calculations.

[Okazaki] I doubt if Japan can hold consultations with the United States and say that if 10,000 of the 47,000 U.S. troops stationed in Japan were to be pulled out, it would replace them with 10,000 Self-Defense Forces troops. What is being said in the ongoing debates is that "although Japan cannot do anything, U.S. forces should be reduced because that is what Okinawa is asking for." Since Japan has no intention of buckling down and hold consultations with the United States as a true partner, the two countries cannot hold negotiations on classified military information. It will be useless if Japan does not agree to bear responsibility. If Japan says that it will bear full responsibility and build up Japanese civilian airports so that U.S. military aircraft can use them in case of emergency, the U.S. Marine Corps Air Station [MCAS] Futenma could be returned. Because Japan is being lazy, MCAS Futenma cannot be returned.

Japan: 10-Year Land Expropriation Called 'Abnormal'

OW0104014296 Naha OKINAWA TIMES in Japanese 29 Mar 96 Evening Edition p 6

[Commentary by political-economic reporter Tomohiro Yara: "Law on Special Measures Concerning Land Used by the U.S. Forces; 10-Year Compulsory Use is Abnormal — Only Applied in Okinawa"]

[FBIS Translated Text] The central government has requested the compulsory use of land for 10 more years, including land housing military facilities which the Japanese and U.S. Governments have already agreed to return. The central government merely continues to repeat the line: "steps necessary to fulfill obligations to provide necessary land [to U.S. Forces] under the security treaty." Its attitude toward the Okinawa Prefectural Government remains unchanged. The central government, which has failed to come up with any concrete solutions to military base issues, has submitted an application for approval of the continued existence of U.S. military bases on Okinawa until 2006. This clearly shows its intention to continue "forcing military bases" [on the Okinawan people].

The compulsory use of land for military purposes is based on the Law on Special Measures Concerning Land Used By the U.S. Forces." Okinawa is the only prefecture in Japan where this law is applied. In mainland Japan, the compulsory use of land for U.S. forces has become a part of history since the law was last applied in 1962.

In fact, past cases on the mainland involved only one to three landowners in regard to each military facility in question. In Okinawa, the compulsory use of land involves 3,000 owners of plots within 13 facilities concerned; such an unusual situation only exists here.

In a case 30 years ago in another prefecture, the land expropriation committee there approved the compulsory use of land for only one or two years. This action was taken to minimize possible financial losses on the part of landowners who refused to sign lease contracts since they would be receiving compensation (equal to land rental fees) in one lump sum. Such landowners would be forced to pay considerable income tax as well as forfeit interest. In this case, the longer the term of the compulsory use, the greater their losses would be. Moreover, their losses would be even greater if, for example, land prices were to rise sharply over the next five or 10 years such as in the case of the recent bubble economy era.

The national average for the compulsory use of land for public works projects is 2.5 years. In this age when drastic economic changes take place, it is doubtful the central government can come up with a rational explanation for its "application for a 10-year extension," a term which amounts to four times this national average.

It is no exaggeration to say that the central government has successfully fulfilled its "obligation to provide necessary facilities under the terms of the security treaty" by repeatedly enforcing the compulsory use of land. The central government has already taken such action in four instances [including the current case] since Okinawa's reversion to Japan in 1972. In 1982, the central government applied for a 5-year extension of the compulsory use of land, and the land expropriation committee gave permission for the full five years. In 1987, the central government, under the administration of former Prime Minister Yasuhiro Nakasone, applied for a 20-year extension, and the expropriation committee gave 5-year or 10-year permits, depending on the facilities concerned. In 1992, the expropriation committee approved 5-year extensions in response to the central government's application for 10 years.

In its first decision (in 1982) on the compulsory use of land, the land expropriation committee at the time issued a statement in the name of the committee chairman that, while questioning the compulsory use of land by U.S. forces, urged the central government to take appropriate action to rectify the situation, saying: "It is desired that efforts be made to realign and reduce military bases."

In 1992, Okinawa Governor Masahide Ota at first refused proxy signing of documents necessary to force unwilling landowners to extend the lease on their plots for use by U.S. forces so that those documents would be made public. In this case, the central government managed to persuade the governor to sign the documents by vowing that it would "tackle military base issues with sincerity."

However, not only has the situation remained unchanged, but we are now witnessing a strange scene where masses of policemen are guarding the [U.S. Navy's] telecommunications facility (commonly called the Elephant's Cage) in Sobe in Yomitan Village where a new fence has been erected. The lease for the site expires at the end of March.

Legal procedures taken by the central government for the compulsory use of land has been delayed, and is unlikely to be completed by the deadline in May 1997. In that case, a situation like the one at the Elephant's Cage will develop at various military facilities in Okinawa. The situation regarding military bases on Okinawa is likely to become even more severe.

Japan: MITI Chief on U.S. Trade Report, Apr Summit

OW0204034596 Tokyo KYODO in English 0325 GMT 2 Apr 96

[FBIS Transcribed Text] Tokyo, April 2 KYODO — Bilateral trade disputes over photo film and semiconductors are unlikely to be high on the agenda of U.S.-Japan summit talks in mid-April, International Trade and Industry Minister Shumpei Tsukahara said Tuesday [2 April].

"I don't think semiconductors and photo film will become the key theme in talks on individual sectors," Tsukahara told reporters after a cabinet meeting.

The U.S. Government is seeking an extension of the bilateral semiconductor agreement, which is due to expire in late July, and is also asking for a more open photo film market.

Tsukahara criticized the annual report released Monday by the office of the U.S. Trade Representative, which listed 46 nations and trading blocs as having trade barriers and gave large mention to Japan.

"There are differences in the way we understand the facts in areas such as semiconductors. It is not clear why they think that there are trade barriers," he said, noting that some parts of the report show that the U.S. judgments on trade barriers are not based on rules set by the World Trade Organization.

Also Tuesday, an official at the ministry's International Trade Policy Bureau, implied that Japan would not, in principle, respond to the U.S. report.

"The report simply lists the requests of the U.S. industries," the official said.

Japan: U.S. Urges Bribery Punishment Laws; Tokyo Uneasy

OW0104123696 Tokyo KYODO in English 1210 GMT 1 Apr 96

[FBIS Transcribed Text] Tokyo, April 1 KYODO — Japan was perturbed by a U.S. call on advanced nations for early legislation of punitive measures against cross-border bribery cases, government officials said Monday [1 April].

The officials said Washington intends to reach a broad agreement on the issue at a ministerial meeting of the Organization for Economic Cooperation and Development in May.

European countries have withheld immediate response, but Japan may be forced to overhaul its legal structure depending on the development of discussions on the matter, they said.

The U.S. wants member countries to enact legal measures to punish domestic enterprises offering bribes to foreign governments and officials, the officials said.

They said the existing Japanese law stipulates punishment only when bribes are both offered and received.

The officials said the United States is the only nation where criminal prosecution measures have been enacted against cross-border bribery cases.

Washington argues that U.S. enterprises have lost 45 billion dollars worth of procurement orders in newly industrializing economies in Asia because of bribery.

The OECD has called on member countries to tighten controls on bribery and hike penalties for offenders.

Japan: Civil Aviation Problems With U.S. Persist

OW0104122196 Tokyo EKONOMISUTO in Japanese 2 Apr 96 p 21

[Article by Toshiro Hara of MAINICHI SHIMBUN Washington Bureau: "U.S.-Japan Civil Aviation Negotiation: Is Increasing Competitiveness With U.S. a Priority for Japan?"]

[FBIS Translated Text] The consultations on the cargo aspect of the U.S.-Japan civil aviation negotiations, which set the end of March as a tentative deadline, has started moving in the direction of conclusion. This was done by agreeing to a mutual increase in flights, without attempting to solve the fundamental issue, since the Japanese proposed "shelving for three years" discussion of "beyond rights" (the right to fly to a third country via the partner country). As for the important consultations concerning the passenger field, competition among American carriers is extensively discussed, while negotiations with Japan are effectively "ignored."

In the cargo talks in Washington, because from the outset the United States displayed a posture of "concluding by recognizing a mutual increase in flights," the Japanese strongly resisted. It declared that "if the [United States] does not agree to discuss creation of a new framework for air cargo, which is the purpose of the consultations, we will nullify the policy [decision] for Federal Express, a major U.S. air freight company, to use beyond rights, which were agreed to last summer." The official talks, which had been planned to last three days, were interrupted on the second day. On the last day, the talks lasted for only 10 minutes, but that tided the consultations over to the end of March in Tokyo.

In the United States, people concerned with aviation and the mass media were critical, saying that this was a "Japanese threat." But their focus was concentrated on the passenger talks and the discussion has become one of whether "it is advantageous or disadvantageous for the United States to allow a large number of U.S. carriers into Japan and Asia routes." This is all premised on the assumption that beyond rights are a vested U.S. right.

Under the current U.S.-Japan Civil Aviation Agreement, as for U.S. flight rights, United Airlines and Northwest Airlines have been given preferential treatment as a pioneer group (Japan Airlines for Japan). However, the latecomers — American, Delta, Continental, and Trans World (All Nippon Airline for Japan) — which had finally been permitted to [establish] routes [to Japan] in the aide memoir to the 1980 agreement, have appealed. They argue that "before [we discuss] beyond rights, we should correct the unfairness among U.S. carriers in which we cannot freely increase our routes to Japan." They formed a group called "Access U.S.-Japan," and have been attacking the pioneer group, claiming that "if competition becomes stronger, air fares will also go down."

The pioneer group resisted, claiming that "because for the main Japan routes the airports are full, flying unprofitable routes will not bring air fares down." Also to protect their routes to various locations in Asia via Japan, which are becoming a cash box [money maker], it is shifting its target away from domestic issues to attack Japan, saying that "Japan is trying to limit U.S. beyond rights. This will harm U.S. interests much more."

The only noticeable argument concerning Japan is to the effect that "the Japanese Government wants to limit U.S. rights to protect its uncompetitive airlines, and [its advocacy of] liberalization is nothing but lip service" (according to the U.S. newspaper COMMERCE JOURNAL).

"The view held by many people is that the major airline companies have influence on the November presidential election too. So the U.S. Government seems to want to delay the passenger talks until after the election" (according to a U.S. aviation industry-related source).

However, it is also a fact that discussion on competition among enterprises within the United States has also started. Rather than getting caught up with beyond rights, which the United States will never concede, it may be more important for Japan, more important than conducting the negotiations themselves, to conduct discussions [within the country] on how to increase competitiveness against the United States, including how to deal with the gap between the pioneer and latecomers groups.

Japan: LTCB Admits U.S. Subsidiary Under Investigation

OW0204052096 Tokyo KYODO in English 0441 GMT 2 Apr 96

[FBIS Transcribed Text] Tokyo, April 1 KYODO — The U.S. subsidiary of the Long-Term Credit Bank of Japan (LTCB) has been under investigation by U.S. monetary authorities on suspicion of making a false report on the subsidiary's bond trading.

LTCB Trust Co. in New York have purchased bonds that cannot be used for transactions and then disposed of the deal as loans in its accounts, they said.

U.S. monetary authorities, like the Federal Bank of New York, are preparing to make decisions, including punishment, some time this month after concluding a joint investigation, according to banking industry sources.

LTCB Trust, which is allowed to buy only U.S. Treasurys and U.S. Government-guaranteed securities, purchased bonds issued by U.S. Government-affiliated financial institutions and Japanese banks' certificates of deposit through brokerage houses, the officials said.

At the same time, the trust subsidiary disposed of the purchases in the form of loans to the brokerages with the bonds under mortgage, the officials said.

The improprieties were found during the credit bank's internal inspection in late February and reported to U.S. monetary authorities on March 1, the officials said.

But the officials at the Long-Term Credit Bank added no loss has resulted from the transactions.

Japan: U.S. Unlikely To Accept Upgraded Deregulation Plan

OW0204103396 Tokyo SANKEI SHIMBUN (Morning Edition) in Japanese 31 Mar 96 p 2

[FBIS Translated Text] On 30 March, some government officials strengthened their views that Prime Minister Ryutaro Hashimoto will likely be put in a hard position regarding Japanese deregulation, which is a public pledge to the United States, at the April Japan-U.S. summit talks. The reason for this is that it is very unclear how the United States will assess a deregulation promotion plan, which the government approved at a cabinet meeting.

Although a plan to review the Building Standards Laws and other regulations are incorporated in the deregulation plan to expand domestic demand for imported houses, its contents regarding review of the large-scale retail store law, which the United States calls for, is incomplete.

Treating deregulation as one of pillars of his structural reform program, Prime Minister Hashimoto, when he visited the United States in February, noted that he would promote this. With respect to the United States, the prime minister has launched deregulation plans, including simplifying procedures for inspecting the quality of imported materials and easing the two-by-four construction method.

However, Ambassador Mondale criticized the Japanese Government's process of approving deregulation measures itself, saying: "In an attempt to promote deregulation, the Japanese Government is trying to listen to the opinions of both companies and bureaucrats. But it is obvious that they would say 'no.' This kind of practice is unthinkable in the United States or in other developed countries."

The ambassador, when he was briefed by Foreign Minister Yukihiko Ikeda on the revised deregulation promotion plan after the cabinet approval, did not respond positively. He simply said: "I will carefully study the contents."

A source connected with the Prime Minister's Official Residence is praising the revised deregulation program, saying: "The prime minister displayed his leadership for the liberalization of job placement business and services that dispatch workers." However, some people concerned are strongly criticizing the program saying that it is "half-finished job" because, among other things, a decision was made to delay a decision on major review of the large-scale retail store law until fiscal 1997.

Of the four economic sectors, which will be taken up for discussions at the Japan-U.S. summit talks, the United States is showing its stand of settling the insurance issue by applying the trade and commerce law 301 (retaliation against unfair trade practices). There is no knowing if Japan will be able to use the deregulation promotion plan in persuading the United States.

Therefore, some people are saying that, depending on outcome of the Japan-U.S. summit talks, "we may be forced to review the executive bodies for administrative reform, such as the administrative reform committee and the committee for promotion of decentralization of power," (according to a close associate of the prime minister).

Japan: PRC Said Not Target of Security Treaty With U.S.

OW0204112196 Tokyo KYODO in English 1059 GMT 2 Apr 96

[FBIS Transcribed Text] Tokyo, April 2 KYODO — China is not regarded as a potential enemy under the Japan-U.S. security regime, which forms the core of Washington's east Asian policy, a Foreign Ministry spokesman said Tuesday [2 April].

"The Japan-U.S. security pact is for Japan's defense and is intended to serve as a basis of peace and stability in the Asia-Pacific region," spokesman Hiroshi Hashimoto said at a news conference.

"It is not intended to target any specific country," he said, responding to a question about visiting Chinese Foreign Minister Qian Qichen's remark that Japan is under the nuclear umbrella of the United States.

The spokesman's comments came a day after Vice Foreign Minister Sadayuki Hayashi said the Japan-U.S. security pact is not targeted at any particular country and that it has been the government's consistent stance.

The spokesman also said Foreign Minister Yukihiko Ikeda's three-hour talk Sunday with Qian was "meaningful," adding Tokyo hopes to continue high-level dialogue with Beijing in the future.

Qian arrived in Japan on Sunday for a four-day visit, which also included separate meetings with Prime Minister Ryutaro Hashimoto and other Japanese political and economic leaders.

Kajiyama later said the cabinet of former Prime Minister Tomiichi Murayama is responsible for causing the illegal occupation of Chibana's land plot.

At that time, they might have chosen the best way, but the outcome shows they were overly optimistic," Kajiyama told the House of Representatives budget committee.

Kajiyama was referring to Murayama's decision to take legal steps quickly to make it possible for the government to use Chibana's land legally for U.S. military use when Ota refused to sign the documents.

Japan 'Hopes' Taiwan Drills Do Not 'Escalate' Tensions

OW0204030096 Tokyo KYODO in English 0210 GMT 2 Apr 96

[FBIS Transcribed Text] Tokyo, April 2 KYODO — Japan hopes Taiwan's planned military maneuvers will not escalate the tensions between China and Taiwan, Foreign Minister Yukihiko Ikeda said Tuesday [2 April].

"We hope tensions will not unnecessarily run higher," he told a news conference, referring to Taipei's series of upcoming live-fire drills near China.

On Monday, Taiwan's Defense Ministry announced it will conduct an antiaircraft live-fire drill on an island near the mainland soon and that the planned exercises are small-scale, routine and not related to the latest series of Chinese war games in the Taiwan Strait.

China held three rounds of military exercises near Taiwan between March 8 and 25 as Taiwan was holding its first direct presidential election March 23.

"In any event, we want the two parties concerned to try to defuse the tensions through direct talks and resolve their dispute," Ikeda said.

Japan: Qian: PRC 'Determined To Thwart' Taiwan Independence

OW0204081496 Tokyo KYODO in English 0757 GMT 2 Apr 96

[FBIS Transcribed Text] Tokyo, April 2 KYODO — China remains determined to thwart any Taiwanese move toward outright independence and away from reunification with the mainland, Chinese Foreign Minister Qian Qichen said Tuesday [2 April].

"We must block Taiwan's independence at all costs," he said at the Japan National Press Club, referring to Beijing's recent series of missile and live-fire military exercises near the island.

"The whole world has recognized Taiwan as part of China. The Taiwan issue is purely an internal Chinese matter and people in foreign countries should not poke their noses into it," he said through an interpreter.

Qian, who doubles as Chinese deputy premier, also reiterated that China would maintain Taiwan's capitalist society under a "one country, two systems" plan if there was ever peaceful reunification between the two.

China, which regards Taiwan as a rebel province, conducted a series of war games near Taiwan in March in a bid to scare Taiwanese voters away from President Li Teng-hui in the March 23 presidential election, the island's first ever under universal suffrage.

Li, who is suspected by Beijing of edging Taiwan toward independence, was reelected with a healthy 54 percent of the vote.

Qian, who arrived in Tokyo Sunday for a four-day visit, defended his country's policy of continuing nuclear testing by saying China has been under threats from other nuclear powers.

Noting that China has vowed never to be the first to use nuclear weapons, the Chinese foreign minister cautioned Japan about its possible freezing of soft yen loans to China in connection with nuclear testing.

After France's declaration in January to halt its nuclear tests, China remains the last nation that is testing nuclear weapons among the five declared nuclear powers, which also include Britain, France, Russia and the United States.

On bilateral ties with Japan, Qian said the two neighbors can enhance their relations if Tokyo tries to have a correct view of history and continues limiting its relations with Taiwan to unofficial contacts.

During his stay in Japan, Qian met Prime Minister Ryutaro Hashimoto and Foreign Minister Yukihiko Ikeda, as well as other political and economic leaders.

Japan: Qian: Taiwan Independence Would Bring 'Big Crisis'

OW0204045996 Tokyo KYODO in English 0426 GMT 2 Apr 96

[FBIS Transcribed Text] Tokyo, April 2 KYODO — - Chinese Foreign Minister Qian Qichen, on a visit to Japan, warned against a Taiwanese bid for independence in talks Tuesday [2 April] with a Japanese business leader.

"China's interest is to maintain peace. If Taiwan moves for independence and foreign countries lend support, it will lead to a big crisis," Qian told Shoichiro Toyoda, head of the Federation of Economic Organizations (Keidanren).

On a Hong Kong issue, the British colony that will return to Chinese rule in July next year, the Chinese minister said, "There will be no change in the system, operating methods, and lifestyle (after China resumes sovereignty). Foreign investment will be protected."

Qian visited Keidanren to attend a ceremony for forming a Keidanren mission that is to visit China.

Japan: 'Difficulties' in Relations With PRC Deemed 'Likely'

OW0204041796 Tokyo NIHON KEIZAI SHIMBUN (Morning Edition) in Japanese 1 Apr 96 p 2

[FBIS Translated Text] The Japan-China foreign ministerial talks held on 31 March were the first diplomatic exchanges with Chinese leaders since that country began its military exercises in the Taiwan strait. At the talks, the government paid the most attention to sounding out China on its true intention concerning the key Taiwan issue. However, the government failed to elicit specific remarks because China refused to say more than that the Taiwan issue was "an internal affair." No progress was made on the pending issue of a nuclear test ban as the Chinese side did not indicate any clear-cut position.

The Ministry of Foreign Affairs [MOFA] initially intended to elicit responses from the Chinese side by informing officials at the current talks that "if it should refuse to listen, to some extent, to what Japan has to say, what used to be a matter of course in Japan-China relations may not work any more," (according to a senior MOFA official). Thus, in connection with the military exercises, Foreign Minister Yukihiko Ikeda stated that "the exercises aroused questions" instead of "requesting self-restraint." China, however, did not show any signs of shifting its position.

At the meeting, Japan and China also agreed to begin fishery talks on 9 April in lieu of ratifying the UN Convention on the Law of the Sea. Moreover, concerning the Comprehensive Test-Ban Treaty (CTBT), Foreign Minister Qian Qichen stated that "it will be signed this year." Since China had already indicated its positive stance on these issues, Japan cannot be said to have succeeded in winning new concessions.

There are those in the ruling coalition who have urged that "a more serious protest should be lodged" against China's military exercises, (according to a source on the Foreign Affairs Panel of the Liberal Democratic Party [LDP]). The fact remains that as the exercises ended, everything, at least on the surface, returned to normal; however, should China resume its nuclear testing, "the issue of suspending yen-based loans inevitably will be raised again," (according to a source in the New Party Sakigake [Harbinger]). Therefore, it is most likely the government will experience difficulties in its future diplomatic relations with China.

Japan: Foreign Ministry Viewpoint Given on PRC Exercises

OW0104120196 Tokyo EKONOMISUTO in Japanese 2 Apr 96 P 17

[Unattributed article: "Ministry of Foreign Affairs: Hardline Views Toward China Expected to Escalate"]

[FBIS Translated Text] Senior Foreign Ministry officials are making frequent complaints that "for awhile longer we will be subject to continued criticism that we are 'weak-kneed.'" This is because every time the officials went to the Liberal Democratic Party [LDP] to explain the situation, they faced an ever mounting list of hardline views, such as advocating the freezing of yen loans to China in protest against Beijing's missile tests and live-fire exercises near Taiwan. Then they were criticized for "not lodging adequately strong protests."

Regarding the recent Chinese military exercises, Foreign Minister Yukihiko Ikeda stated the ministry's basic policy that: "Although they do not pose any problem with respect to international law, heightening tensions across the Taiwan Strait is not desirable and we hope that self-restraint will be exercised."

This move of calling on the Chinese Government to exercise "self-restraint" combined with an unwillingness to lodge a protest represent a cautious attitude.

Last year, the Foreign Ministry took a daring step of "freezing in principle" aid grants in symbolic protest against China's nuclear tests. But the Foreign Ministry concluded that "Japan-China relations will get out of hand" if yen credits are linked in protest measures. Its position is that no further "reviews" of economic cooperation are conceivable. To the eyes of pro-Taiwan and young Diet members from the LDP, this smacks of a "lukewarm" attitude.

A senior Foreign Ministry official confided that "they do not seem to comprehend the difference between what China means to the United States and to Japan." He added, frowning, that "You cannot conduct diplomacy by insisting on 'punishing the unpardonable.'"

In spite of this remark, there is a report that China may resume nuclear tests sometime after April. It is feared that these hard-line views against China will escalate to the annoyance of the Foreign Ministry.

Japan: Representatives to Li Teng-hui Inauguration Sought

OW0104143896 Tokyo SANKEI SHIMBUN (Morning Edition) in Japanese 30 Mar 96 Morning Edition p 2

[FBIS Translated Text] The Japanese Government is working on concrete steps, including sending government representative Nobuo Matsunaga as a private individual, in regard to selecting representatives to attend Taiwan President Li Teng-hui's 20 May inauguration. The government will be put to test regarding its stance toward Taiwan depending on the rank of the representatives it plans to send to the ceremony and the size of the party. It is desperately searching for ways to avoid aggravating the PRC Government in about the same manner as are the United States and other countries.

The Ministry of Foreign Affairs [MOFA] maintains that "currently, we have not received any formal invitation from Taiwan, and everything is on the drawing board" (according to a senior MOFA official). However, the U.S. Government announced on 27 March that it plans to send a special government envoy, saying: "In consideration of the fact that this was the first presidential election in Taiwan by direct vote, we are planning to send government officials." It is also reported that some Congressmen are trying to invite President Li to the United States.

As a result, some members of the ruling coalition parties are saying that "Japan, on its part, has to think about a situation where it may have to show its stance one way or the other." Among other possibilities, ruling party officials are considering the following plans: 1) To dispatch government delegate Matsunaga in a private status to attend the ceremony; and 2) to send a special envoy to represent the ruling parties.

In the end, however, the government "will be making a final decision, taking into account who the United States and other Western nations will be sending to participate in the ceremony, as well as the size of their delegations" (according to a ruling party official). In this way, the government is expected to continue working on selecting its representatives until the last minute, while keeping an eye on other countries' moves.

Japan: DPRK Reiterates Desire for 'Peace' Treaty With U.S.

OW0104075796 Tokyo MAINICHI SHIMBUN (Morning Edition) in Japanese 31 Mar 96 p 3

[by Kazuo Iida]

[FBIS Translated Text] Beijing, 30 Mar — A mission of the Japan Institute of International Affairs, affiliated with the Foreign Ministry, which visited the DPRK (North Korea) at the invitation of the country's Disarmament and Peace Institute, held a news conference in Beijing on 30 March on its way back to Japan. According to the mission, the North Korean side emphatically said that the armistice agreement, concluded following the Korean war, has now reached its limit, and the country indicated its eagerness to conclude a provisional U.S.-DPRK agreement.

On 29 March, DPRK's Vice Marshal Kim Kwang-chin, first vice-minister of the People's Armed Forces, issued an unusual statement to the effect that the country would take some kind of hard-line action in connection with the Demilitarized Zone bordering South Korea. The North Korean side showed the statement to the mission before it was released. When the Japanese mission inspected Panmunjon, which divides South and North Korea, senior officers of the North Korean army repeatedly stated that the "military situation on the Korean peninsula has become tense." It is believed that North Korea stressed the need to conclude a peace treaty with the United States, which will replace the present armistice agreement.

Keio University Professor Masao Okonogi, one of the mission's members, analyzed: "The statement was probably intended to warn against South Korea concluding a provisional agreement with the United States, and tightening control at home."

Japan: Tokyo Responds to DPRK Vice Marshal Statement

OW0104141996 Tokyo NIHON KEIZAI SHIMBUN (Morning Edition) in Japanese 30 Mar 96 p 2

[First in unattributed two-part series, "Uncertainty in DPRK Situation": "Government Taking Precautions Against 'X Day'"]

[FBIS Translated Text] On the morning of 29 March, the Japanese Government was shaken by a report.

"The Korean peninsula armistice is reaching its limit, and South Korean leaders' invasion of the North is coming true," Vice Marshal Kim Kwang-chin, first vice minister of the DPRK (North Korean) People's Armed Forces, issued an aggressive statement through Korean Central Broadcasting Network.

Perplexed With Aggressive Statement

In the afternoon news conference on that day, Chief Cabinet Secretary Seiroku Kajiyama expressed the government's concern over the North Korean statement, saying: "The statement's wording is extremely shocking. In the statement, there are many aggressive or war-sentiment whipping up expressions, which remind me of phrases (by the former Japanese Army) I heard in around 1944 or 1945. I cannot help imagining a terrible situation." Foreign Ministry [MOFA] Press Secretary Hiroshi Hashimoto, in the evening news conference, also looked perplexed, saying: "The statement contains strong wording seldom used before, and we feel it is a more escalated message than ever before."

North Korea specialists in MOFA and the Defense Agency actively moved to collect and analyze information. While they uniformly concluded "North Korea does not actually believe in a ROK invasion, the statement was issued with some kind of political purpose" (as noted by MOFA Press Secretary Hashimoto). However, they had no idea what North Korea's real message was. The "mystery" of North Korea's internal situation is becoming deeper and deeper.

Since the end of 1995, speculation that "North Korea has entered a process of chronic collapse" is becoming the dominant opinion in the Japanese and U.S. Governments.

In addition to food and energy shortages becoming serious, an increase of political refugees and a recent shootout in Pyongyang clearly show "signs of weakening" in the strict control of the North Korean Government, which used to be called "iron restriction." MOFA is paying particular attention to the fact that the "privileged class," like senior officials of the Korean Workers Party and the military, are "seeking refuge from the nation as if they are running away from a sinking ship" (as noted by a senior MOFA official).

As a matter of course, Prime Minister Ryutaro Hashimoto is deeply interested in the uncertainties of the North Korean situation.

Consultations at Interparty Summit

On 26 March, Prime Minister Hashimoto met younger upper house members from the Liberal Democratic Party at his office. In the conversation, Hashimoto took time to discuss diplomatic affairs, with special emphasis on PRC-Taiwan relations and the North Korean situation. Hashimoto reportedly stated: "It appears North Korea's food supply is not in a very critical condition, but non-staple food, such as main dishes, is not sufficiently circulated. I wonder if the general public in North Korea have the energy to overthrow the present authorities.... Bottom-to-top political turnover is probably impossible in North Korea."

At the 19 March meeting with New Frontier Party [Shinshinto] head Ichiro Ozawa aimed at normalization of Diet proceedings, Hashimoto thoroughly discussed with Ozawa what Japan has to do to cope with a possible emergency situation in the Korean peninsula or the Taiwan Strait. While Hashimoto is currently busy dealing with the so-called jusen issue, he does not forget about the Taiwan and North Korea issues "for even a moment" (as noted by a source close to Hashimoto). The source also said Hashimoto has spent many sleepless nights since his inauguration as prime minister.

Rumor on 'May Crisis'

"May crisis" — the Japanese Government is beginning to seriously consider possibilities of an "unexpected event" triggered by North Korea's food crisis in May to June.

The May-June period is the preharvest months for rice and corn — staple food in North Korea. A food crisis can suddenly become very serious then as it is believed North Korea's staple food production is over 2 million tons lower than the nation's demand. A food crisis may encourage frequent riots, and those would trigger a collapse of the Kim Chong-il regime. John Deutch, director of the Central Intelligence Agency (CIA), noted at the U.S. Senate Special Committee on Intelligence that "the stability of the North Korean authorities may be threatened if the food shortage spreads to frontline forces."

A senior Defense Agency official said "North Korea is quietly, but certainly, heading for collapse." Under the uncertain situation, the government is taking precautions against "X day."

Japan: Report of North Korean Food Shortage Examined

962B0056A Tokyo SEIKAI in Japanese Mar 96 pp 112-117

[Article by Toshio Miyazuka, assistant professor of Yamanashi Gakuin University: "Definite Lack of Daily Necessities: Caution in Food Aid From Japan"]

[FBIS Translated Text]

Food Shortage Announced by North Korea Lacks Concrete Proof

Speculation is circulating concerning North Korea's unprecedented floods last year. Meanwhile, tripartite vice ministerial talks held in Honolulu on 21 January by Japan, South Korea, and the United States concerning North Korea's food shortage ended with the conclusion that "North Korea's food shortage is not critical enough at this point to warrant new aid from the three nations." Despite the common understanding among the three nations, North Korea made a request to Akiko Domoto of Japan's House of Councillors (Sakigake Party), who visited North Korea in mid-January, for supplemental rice aid from Japan.

Is North Korea really facing a food shortage? North Korea is using UN agencies and some Japanese media to publicize the extent of flood damage to its crops, but there are many unconvincing aspects.

An example would be in 1993 when Japan, South Korea, and the Yanbian Korean Autonomous Region in China's Jilin Province, which shares a border with North Korea, all suffered major crop failures due to natural disasters from a cold spell. Neighboring nations were caught by great surprise when North Korea reiterated its annual declaration of "a historically unprecedented, bountiful harvest" despite massive crop failures similar to those in the abovementioned regions.

What was the actual extent of the damage from what North Korea calls a "major flood which occurs only once in a century?" Given the fact that a major flood did occur in 1923 when the water level of the Taedong River flowing through Pyongyang rose by 11 meters and the inhabitants sought refuge en masse on a nearly completed iron bridge, we do not deny that a major flood occurred last summer. (Observation data sent to the Japan Meteorological Agency on the volume of sun and rain in seven North Korean regions support the fact that a great rainfall did occur.)

However, despite its immediate and detailed public announcement through a UN agency regarding the scale of human and material damage caused by the flood, researchers in neighboring nations questioned the credibility of the figures concerning "damage totaling 15 billion dollars" and characterized it as an exaggeration. North Korea initially announced at the outset that there were no human casualties among the 5.2 million victims of the flood damage, but when the lack of casualties was pointed out, it was reported that 60 to 70 persons had died and a greater number were unaccounted for or had drowned. Regarding the number of casualties and inhabitants unaccounted for, experts point out that there is a large gap between the scale of damage and the number of victims.

It has always been rare for N Korea to publicly announce concrete figures for external consumption. It is therefore exceptional for the country to take pains to formulate figures concerning the cost and scale of flood damage. However, the problem is the credibility of the figure per se. The only case in which third parties could easily confirm statistical figures publicized by North Korea was the "support for educational spending and scholarship fund" sent to North Korean children living in Japan for nearly 40 years. Given the propaganda value in praising the late President Kim Il-song and Kim Chong-il, North Korea and the Korean Federation of Labor Organizations have announced educational aid figures in detail ranging from one yen to 100 million yen. This writer personally saw them on North Korean TV on the night of 9 September last year in Chian City on the shore of the Yalu River. Incidentally, following those remittances, educational aid to North Korean children in Japan has been discontinued.

Do the Mice (People) Run Out Before the House (State) Collapses?

In order to investigate the food situation and the ordinary life of the people in North Korea where a food shortage means a rice shortage, the writer visited the city of Tandong on the China side of the border. The city has a population of about 2.5 million, with nearly 600,000 living in the inner city including some 20,000 ethnic Koreans. Sinuiju on the opposite side of the Yalu River is one of the larger cities in North Korea after Pyongyang, Yonsan, and Nampo (formerly Chinnampo). Tandong is an ideal window for information gathering in order to find out what is going on in North Korea.

For three years, I have treasured Kim, an ethnic Korean who has lived for a long time near an iron bridge on the Yalu River, as a "stationary observation post" for information gathering on North Korea. I asked him once again what I had asked him three months before. "There is a saying that the mice run away before the house (state) collapses. Has the time come for the mice to run out of the house of North Korea because of the food storage?" Kim replied with a laugh: "First, let us go and eat" and he guided me to a joint-venture restaurant run by Tandong City and North Korea.

The restaurant's scale was not much different from a joint China-North Korean restaurant I had seen in Yanji City. However, one difference from the restaurant I saw in the past was that in the Tandong restaurant, North Koreans wearing Kim Il-song badges (I later learned that they were employees of a trading company) were openly drinking beer and enjoying meat dishes placed on the table.

Night falls early on the Yalu River. The world of bright red and blue neon lights in addition to the bare light bulbs of the restaurants, karaoke bars, and hotels on the Tandong side probably look like an all-night palace from the North Korean side. The streets of Sinuiju in North Korea turn pitch dark early in the evening. This writer had the same experience three months earlier in Chian.

Kim whispered in my ear: "In my house on the opposite shore, there are many hungry people. Yet, those fat mice eat, drink, and sing without any qualms." The karaoke songs played in the restaurant were both North Korean and Chinese songs, but small 'katakana' rubics were written alongside the North Korean songs written in 'hangul.' No Japanese would bother to sing the boring North Korean songs, so they were probably made available for North Koreans residents in Japan who are unable to read hangul. I suddenly recalled that only Chinese and North Korean songs were also available for karaoke on the ferry Sanchiyen, which plied between Niigata and Wonsan.

At Kim's urging, I sang my favorite song "Ariran," but of course there was no applause between songs as is common in Japan. The trading company employee with a Kim Il-song badge who sang after me was in a good mood from his beer drinking. He sang lustily in a full voice and seemed to be quite experienced. The menu of the joint venture restaurant was written in both Chinese and hangul. Among the employees were about 10 women and entertainers in their early twenties, who were all attractive.

The prices were higher than the other restaurants, and Kim said that he seldom comes there. At the joint venture restaurant we visited in the Yanbian Korean autonomous region, women employees did not serve drinks to the customers, but in the restaurant on the ferry Sanchiyen it was said to be permissible to merely touch their hands.

At a bar which we entered after a stroll, Kim and I agreed that "it is premature for the mice to come running out in droves. As we saw at the restaurant, the fat mice go to and fro freely across the Yalu River. It means trouble when the lean mice begin to run away, but the mice will not run away as long as the house does not collapse."

Riots Caused by Starvation Inconceivable: Lowering of People's Morale Feared Most

Numerous islets exist on the Yalu River between Tandong and Sinuiju. Some places freeze during the winter and it is said that the farmers and citizens of Sinuiju often sneak out in the dark to come to the Tandong side to have fun. Illegal trading is also rife, and Kim said: "The next time you come, I will show you some black market dealings for your enjoyment." He also told me with teasing laughter that because the dealers confirm their whereabouts with pocket flashlights and we would be discovered if we used flash cameras, I must bring a highly sensitive camera if I want to shoot the critical moment. Large- scale illegal transactions continue throughout the year and are also carried out on the seas. Commodities smuggled in from the North Korean side include raw materials and gasoline stolen from factories, while food and clothing naturally constitute most of the goods from the Chinese side.

I asked Pak, an ethnic Korean who frequents North Korea: "Is there a possibility of death by starvation due to the food shortages, or the rise of food riots" Or, is a situation possible like the collapse of North Korea? To the Japanese who experienced the "rice riots" in 1918 or the "rice riots" during a period of ample food supply in the Heisei era (1989-), it would not be strange for North Korean "rice riots" to occur due to serious food shortages announced by the authorities. Pak firmly denied it, saying: "Riots due to food shortages are unthinkable in North Korea, and a collapse of the present regime is more unthinkable." Revealing his reasoning, he said: "Although North Korea is already facing collapse, it is making political use of the recent flood damage to become stronger." "It is another matter if General Secretary Kim Chong-il loses his position by political faux pas or if he is disposed by a military coup d'etat, but there are presently no signs of political collapse or revolution in North Korea." He pointed out that Kim Chong-il is cleverly using the flood damage to maintain his regime and has won the approval of the military by giving priority to the distribution of goods shipped from foreign nations, such as relief rice, to military circles. Pak asked whether neighboring nations are hoping for North Korea to collapse.

He continued to explain as follows: It actually is only the military with its systematic organization of information, communications network, and command structure that can cause riots for reform to occur in North Korea. In contrast are the unfortunate masses, who are "preoccupied only with food on the table" and who completely lack any telephones for communication or bicycles for mobility. In addition, since fear politics is entrenched in North Korea, there are no leaders to lead mass uprisings. This makes uprisings inconceivable. Of course, disputes over distribution delays or lack of food distribution occur daily at distribution centers; however, they are "minor" and could be considered partial incidents.

He added that one cannot rule out the possibility of minor incidents becoming linked together and expanding into a nationwide revolution.

Special Punishment by the Public Security Ministry Over the "Cornered Mice" Incident

Pak made a significant remark that "nevertheless, as to whether there are no incidents at all inside North Korea, that is not the case." The social phenomena leading to internal collapse in North Korea would involve a drop in morale due to the spread of thefts from an impoverished life and increasing mutual distrust among the populace stemming from long years of secret informing and surveillance. Pak explained: "The people cannot trust the Kim Il-song-Kim Chong-il system, which still cannot solve the food problem." His allusion to the fact that the people's alienation from the government and the lax in regulation and social discipline are definitely leading to an internal collapse in North Korea is noteworthy.

In fact, the once-strict regulations on travel and movement are weakening due to the inevitable need for people to go hunting for food in order to overcome perennial food shortages. An increasing number of people are roaming the crop belts with knapsacks on their backs in search of food, and rumors of incidents encountered by them in various areas are spread by word of mouth.

I again asked Pak details about the "cornered mice" incident in a town near Sinuiju concerning a starving family. It was first told to him by a relative who lives in Sinuiju when he came to Tandong.

It is about a family of five who were the poorest in the town and closest to starving. One day the family, unable to endure their hunger any longer, decided that they would die if they waited any longer. They wanted to "eat a bowl of white rice and meat before we die." Those who are prepared to die are desperate. The father and son decided that they would sneak into the home of the wealthiest communist party official in town. They entered the home late at night where they discovered plenty of white rice and beef in the storeroom. They took as much of the food as they could carry and the family happily savored their "last supper." It was the first full meal of white rice and meat they had in their lives. It was the first and last time they were able to fulfill two of the four ideals propounded by the late President Kim Il-song in his "New Year's speech," which went as follows: "The highest ideals of the Korean people are to eat white rice, to drink soup containing meat (beef), to wear silk clothes, and to live in a tiled-roof house." The family had no regrets. What remained was to be arrested by the Public Security authorities (police) and to be executed. They were prepared and were not afraid.

The problem was what ensued. If the theft by the family and evidence of the sumptuous supper had been hushed up, the incident involving the rice and meat from the party cadre's house might have been forgotten. The problem was the exposure of North Korea's food conditions. One of the children took his lunch consisting of "nurunji" (burnt rice which has a delicious aroma) to school and ate it proudly in front of his classmates. This caused a sensation.

On hearing the rumor, the Public Security police thought it was impossible for a starving family to eat "nurunji" so they decided to investigate. As a result, they discovered that the rice and meat were stolen from the party cadre's home. The family who stole the food were unperturbed when the police came because they were prepared to die and had no regrets after eating a stomachful of white rice and meat. It was the police who were perplexed by the family's calmness. The neighbors who heard the rumor came to watch how the police would deal with the situation. If the family was punished severely, the resentment among the residents over the "food problem" would immediately explode and develop into riots. Faced with a major decision, the police decided to calm the people's anger by not punishing the family, but by imprisoning the party cadre who had illegally stored food in his home. The incident was resolved. The case of the family that had literally acted like "cornered mice" may be exceptional. Nonetheless, the incident proved that there was deep- rooted dissatisfaction against the authorities, who could not easily solve the "food problem," that secret deals and corruption among some cadres were becoming common, and that thefts and robberies were increasing.

100,000 Yen Equals 17 Years of Pay for North Korean Workers

Has the food shortage from the severe winter to early spring in North Korea caused starvation among the people and unrest within the military as has been widely announced? Among the media in Japan and South Korea, which have been reporting on the North Korean food shortage, a tendency is seen to exaggerate stories in some parts of North Korea, often with sensational accounts of the food shortage extending throughout the country and resulting in widespread starvation. Is it really true?

Based on the "grain distribution ledger" and "supplemental food and daily necessities distribution ledger" obtained by this writer in Chian, North Korea certainly as a whole faces shortages in grains and supplementary foods in addition to daily necessities. However, it should be stressed that, like the black market era under a controlled economic system in postwar Japan, food and other goods are "found in certain places."

Pak gave an example. When he visited relatives in Hamkyon-namdo Province, he contacted a military relative who lives in Kangwondo (North Korea) by telegram. He was told that soldiers receive 500 grams of grains daily without delay. Also, in Hamkyon-namdo, he witnessed seven kilograms of aid rice from South Korea being distributed to each household, but for some reason the rice bags had the China Red Cross logo on them.

The mild-mannered Pak falteringly explained what he had learned without changing his expression. However, he spoke with emotion only once. That was regarding one recipient of the aid rice who said with sarcasm: "The South Korean Government has sent us their worst-tasting rice. Although we sent our South Korean brethren our best-tasting rice when they faced a rice shortage during the 1984 flood, those guys have shipped us their worst rice."

Pak said he scolded the accuser, saying: "You belong to the same race as the South Korean brethren. There is no reason why they would send you bad-tasting rice. Why do you complain while receiving their gift?" I told Pak: "The South Korean Government has publicly announced shipments of rice grown in 1992, 1993, and 1994." Whereupon Pak responded with satisfaction: "That is true. There is no reason why South Korea would send their worst rice to North Korea." He added with a sad laugh: "Perhaps he said it purposely in front of me because I am an outsider from China. In any case, it is sad to think about it." I did not tell Pak that I had heard about the "smelly rice unfit to eat" which North Korea shipped to South Korea during the 1984 flood.

Is there really a food shortage in North Korea? We really wish to know the truth. There is an area not far from the Tandong customs office where ethnic Koreans live. Many of them have conducted business with North Korea for many years and have frequently visited North Korea. One of them, Kon Ajimoni, seemed to be interested in me as a Japanese who spoke Korean. He said: "It is a big mistake to think that North Korea as a whole is short of food and goods. It is like seeing the trees without seeing the forest. The amount of distributed and stored rice and corn differs according to region. For example, rice is more abundant in grain belts such as Hwanghaedo and Pyongando Provinces."

He continued to speak with emphasis: "Also, some privileged classes like party, government, and military cadres receive generous handouts, and they benefit doubly by selling their surplus goods in the black market." According to Kon Ajumoni, "Our brethren (for some reason, he used this derogatory term to mean Korean residents in Japan who returned to North Korea) receive monetary remittances from Japan and loads of Japanese products brought over by visiting relatives, so many live a good life like the overseas Chinese. After all, 10,000 yen is converted into 20,000 won in the North Korean black market at the rate of one yen=2.04 won. The average wage of a North Korean worker is reported to be 100 won, so it would be equivalent to wages for 204 months. In simple arithmetic, it is equal to wages for 17 years." He then asked to exchange his Chinese yuan for 10,000 yen. Since he had cooperated with me, I gave him a better rate than the hotel rate. Japanese yen is reported to be extremely popular in North Korea, and is especially appealing to businessmen and people who are planning to escape.

Absolute Shortage of Food and Daily Necessities

Children, women, and the elderly are suffering the most from the goods shortage in North Korea today. It is probably difficult for the affluent Japanese to understand the tribulations of North Korean housewives. There is an extreme shortage of subsidiary food products such as soybean paste, soy sauce, oil, and salt as well as tooth brushes, shoes, underwear, and medicines. The soap made from fish lees has a foul smell and is apparently disliked. I have pointed out the shortage of salt used to make "kimchee" in North Korea; there is also a shortage of Chinese cabbage, however, there are said to be places where it is sold for about 10 won each.

Matches are precious in North Korea, and Chinese disposable lighters are sold at 80 times the imported price; filtered cigarettes are also a luxury. Those who cannot afford filtered cigarettes buy tobacco leaf to roll themselves; however, workers' newspapers are expensive and beyond their reach so they use any kind of paper available for rolling. In addition, moonshine liquor is being sold, and households with surplus rice make rice cakes for sale. Dishwashing detergents and hair shampoos are beyond the reach of the average household.

During North Korea's bitter winters, stockings and underwear are in extreme shortage. Young women use their best makeup to look pretty, but cosmetics are in short supply and because skin nourishment is lacking, the cosmetics apparently do not show up well. Dishonest merchants have recently been taking advantage of the feminine psychology and are selling crude Chinese cosmetics at exorbitant prices. Hairpins are among the goods from China which sell well, but sanitary products and bras are seldom seen in the market; there are few good-quality needles (the eyes are seldom open in the right places and are crooked). Sharp scissors and nailcutters are sold at high prices throughout North Korea.

North Korea's shortage of goods is unexpectedly serious. Daily necessities, which are abundant in Japan and taken for granted by the Japanese, are in extremely short supply. Along that line, the most urgently needed flood relief supplies for North Korea from Japan is "instant ramen," particularly "cup ramen," which is appreciated by all North Koreans. I once heard that a North Korean soldier, who had escaped to South Korea, ate instant ramen for the first time and said that he had never eaten such delicious food and ate instant ramen every day.

In North Korea, "cup ramen" containing beef is coveted by the people. It has an artificially-added delicious taste rarely enjoyed in North Korea. It is also regarded as being highly nutritious because it contains dried beef. Incidentally, the "standard nutritional content chart" displayed on each Japanese cup noodle (net 150 grams) shows 552 kilo-calories of energy, 12.3 grams of protein, and 30.8 grams of fat in addition to sodium, vitamins B1 and B2, and calcium. By eating a single cup noodle, a considerable intake of nutrition is possible. Moreover, given the simple production, transportability, and storage of cup ramen, Chinese cup ramen containing beef is extremely popular; Japanese cup ramen is sold in foreign-goods stores as luxury food. When I asked a Korean trader in Tandong whether it might become a big hit if he sold Korean-made kimchee ramen in North Korea, he unexpectedly replied: "Those people normally do not eat spicy food, so it will not sell very well. They prefer nonspicy food with beef in it."

Food Aid to North Korea Requires Careful Understanding of Conditions

When I told Pak that Japan has recently been considering shipping bananas and eggs to North Korea, he asked: "Bananas and eggs?" He seemed to be perplexed for a moment. Then he said: "Why would you send bananas? Of course, bananas are rich in nutritional value and delicious, but only the privileged eat bananas in North Korea. What will happen if you give bananas to people who do not know what bananas are? Also, it is questionable as to how many people will receive the eggs. In North Korea, eggs are precious and expensive." He emphasized that the bananas which the Japanese, who do not know the circumstances in North Korea, intend to send as a goodwill gesture may reach some people, but they will be eaten mostly by the privileged class. In other words, "to send bananas is to insult the North Korean people." There is no possibility that the North Korean Government will fairly distribute them to disaster victims who have never seen or eaten bananas. Even if it did distribute them, it would only be for propaganda purposes.

The bananas ended up not being shipped. The relief good shipped from Japan to North Korea were handled by the Chosen Soren Central Committee, which set up the "Soren central policy committee for the support of flood victims in the Fatherland." They shipped the supplies in bulk from Niigata in eight stages. The relief supplies from Japan, which were contained in 40,333 cardboard boxes and were equal to 250 truckloads in four-ton trucks, included 140 tons of rice, three tons of wheat, 530,000 packages of instant ramen, 34,500 meals of dried bread, clothing, medical supplies, school supplies, and four trucks.

Concerning rice aid from Japan, Secretary Kim Yongchun declared that "if they say they will give it to us, we will accept it." This caused a furor, but his statement was not completely off base. The fact is that of the emergency rice imported from Japan in 1993, there was 840,000 tons of surplus rice which remained. In order to preserve the surplus rice in warehouses at a low temperature of 12 degrees, it would have cost 20,000 yen per ton, thus resulting in a cost of 16.8 billion yen per year. Although Japan has given North Korea 500,000 tons of compensated and uncompensated aid, there are probably very few people who are aware of the cost of the aid rice.

Despite its failure to materialize, and whether it concerns bananas or eggs, the "we will give you our surplus" kind of aid should be limited to rice. People should be aware that a mere "shot-in-the-arm" type of aid will not solve the food shortage problem in North Korea.

Japan: Humanitarian Aid Seen Helping Yeltsin's Campaign

OW0104133596 Tokyo SHUKAN DAIYAMONDO in Japanese 30 Mar 96 P 18

[Article by freelance journalist Andrey Varlamov: "Japan's Humanitarian Aid to Russia Is Being Utilized for Reelection of President"]

[FBIS Translated Text] Since his announcement that he would run in June's presidential election, Russian President Boris Yeltsin has been frantically trying to strengthen his camp away from the spot-light, apart from official campaign.

Those close to Yeltsin attach extraordinary importance to the health problem of the president. If Yeltsin, who has suffered three heart seizures, is to be hospitalized again, his political life will certainly come to an end.

The most important point of this election campaign under the surface is the collecting of funds. The president and his close associates are doing everything they can in strict secrecy. They even "diverted" part of the $500 million credit Japan had disbursed in the framework of humanitarian assistance to Russia, for improvement of a special medical care center under direct control of the president.

Of the credit loan, $150 million was appropriated for construction of medical facilities in the Siberian Far East region, and cities of Yakutsk, Yuzhno Sakhalinsk, and Vladivostok were appropriated $50 million each.

Suddenly, during the visit of to a construction site by a Japan-Russian delegation, a presidential order was issued to disburse tens of million of dollars for the improvement of medical care facilities attached to the office of the president and the government, out of the $50 million originally allotted for the construction of a hospital for children in Vladivostok.

In this way, several million dollars will be spent for expediting the modernization of a special medical sanatorium for use by top leaders in Balvikha, Moscow suburb. The center, located very close to President Yeltsin's villa, was used for Yeltsin's medical exams and rehabilitation following his last seizure in the autumn of 1995.

As expected, Russian mass media were critical and noted that this "was going too far" to misappropriate money originally intended for humanitarian assistance. It is apparent that the president's prestige as well as assistance to Russia will be smeared by this.

Hospitals under the direct control of the president, in contrast with Russia's generally desolate medical facilities, are fully equipped with the best Japanese-made medical equipment and medicines. What is the president's intention in ordering additional investments for such facilities?

According to sources well-informed about the inner workings at the Kremlin, it seems that the sanatorium is being improved to provide highly sophisticated treatment for President Yeltsin without publicity and without hospitalization, if and when he collapses before election day.

Meanwhile, investments are being made to improve medical facilities for the president and government apparatchiks 100 days before the election. These are regarded, by independent political commentator, as a claptrap policy for Yeltsin who contemplates to secure and maintain support within his political camp.

Japan: Bank To Lend 26.5 Billion Yen to Central America

OW0104083996 Tokyo KYODO in English 0820 GMT 1 Apr 96

[FBIS Transcribed Text] Tokyo, April 1 KYODO — - The Export-Import Bank of Japan said Monday [1 April] it has signed an agreement with Banco CentroAmericano de Integracion Economica (BCIE) for an untied loan of 26.5 billion yen to help economic development in five central American countries.

The Japanese bank is providing 70 percent or 18.55 billion yen of the total, and will guarantee the remaining 7.95 billion yen to be financed by nine private banks including the Long-Term Credit Bank of Japan.

The loans will partially fund the BCIE loan program, under which 1.6 billion dollars in loans will be extended over a period of three years to Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica.

The loans will be for infrastructure projects such as highways, harbors and airports and to strengthen private industries such as agriculture, manufacturing and tourism.

The Export-Import Bank and the BCIE have yet to decide when to make the loans, bank officials said.

Japan: Tokyo Welcomes Moves in Bangladesh for New Election

OW0104121896 Tokyo KYODO in English 1054 GMT 1 Apr 96

[FBIS Transcribed Text] Tokyo, April 1 KYODO — Japan welcomes moves in Bangladesh toward a fresh general election and normalization of the political situation in the west Asian country, a Foreign Ministry spokesman said Monday [1 April].

Spokesman Hiroshi Hashimoto said in a statement that the moves are a key development to restore the political and economic stability in Bangladesh.

Tokyo hopes the general election, expected in late May or early June, will be held in a fair manner and contribute to the nation's further democratization, Hashimoto said.

On Saturday, Bangladeshi Prime Minister Khaleda Ziaur stepped down and President Abdur Rahman Biswas dissolved parliament for a new election.

The last general election was held Feb. 15 in the absence of major opposition forces. After the election, the opposition camp has staged an antigovernmental resistance movement, leading to the paralysis in Bangladesh's politics and economy.

Japan: Import Liberalization Brings 'Fierce' Competition

OW0104001296 Tokyo KYODO in English
2318 GMT 31 Mar 96

[FBIS Transcribed Text] Tokyo, April 1 KYODO —- Japan's oil industry, which has been protected from overseas competitors under government regulations, entered a new era of international competition Monday [1 April], when the import of gasoline and other petroleum products was liberalized.

Gas stations have already been experiencing fierce price-cutting competition amid jitters over import liberalization.

Nationwide retail prices of gasoline averaged 108 yen a liter in March, down 1 yen from the February level for the third consecutive monthly fall, according to the latest survey of the oil information service center, a private-sector research institute.

"Falling gasoline prices show import liberalization is in the interest of consumers," International Trade and Industry Minister Shumpei Tsukahara said.

Import liberalization came with the March 31 expiration of a 1986 law which effectively limited the import of petroleum products to oil distributors with refining capabilities, who have little incentive to import because they can refine crude on their own.

The government allowed the 10-year-old law to expire to further promote market mechanisms in the oil industry through competition with imports, the trade ministry says.

Now, any company can import oil products as long as it is capable of storing 70 days of reserves and can adjust the quality of imports to Japanese standards.

The National Federation of Agricultural Cooperative Associations (Zenno) and Itochu Corp. said they will import gasoline from South Korea, while supermarket operators Daiei Inc. and Jusco Co. plan to sell gasoline by installing service stations in their parking lots.

To gear up for international competition, oil companies have introduced new pricing systems to bring the wholesale prices of three major petroleum products — gasoline, gas oil and kerosene — closer in line with international standards.

Following the oil crisis in the 1970s, the government urged oil companies to hold down gas oil and kerosene prices — which were deemed to have serious impacts on consumers and industry — while letting them keep gasoline prices high relative to international standards.

The policy led the companies to count on gasoline as their only source of profit. They have vied for gasoline market share using rebates to service stations suffering losses in price competition, analysts say.

Such rebates have helped fuel pump wars that occurred ahead of liberalization. In some areas, gasoline prices have fallen below 90 yen per liter to match wholesale prices, creating price differences with less competitive areas, industry sources say.

Under new pricing systems, oil companies will seek to level the prices of the three main oil products to diversify profit sources.

Idemitsu Kosan Co., for instance, said it will bring its wholesale gasoline price down to 33.70 yen per liter before taxes and 87.50 yen after tax, down 4 to 5 yen from the current level. It will raise gas oil and kerosene prices by 2 to 3 yen to 33.50 yen per liter.

As a result, gasoline prices are going up in areas where stiff competition has brought retail prices below after-tax wholesale prices, while declining where retail prices have been high.

The gap between the highest and lowest gasoline prices narrowed to 25 yen per liter from 29 yen in February, according to the prefectural analysis of the Oil Information Service Center survey.

Despite all these changes taking place in the domestic gasoline market, the actual amount of gasoline imports is not expected to rise steeply even after liberalization, given the limited capacities of Asian suppliers and decreasing domestic prices, analysts say.

"Gasoline imports will account for only 5 percent of total domestic supplies at most," said Masaru Okawa, an oil industry analyst at the Nomura Research Institute, a Nomura Securities Co. affiliate.

The Agency of Natural Resources and Energy predicts gasoline imports will increase 2.7 percent in fiscal 1996 through March 1997 and rise an average 8.0 percent between fiscal 1995 and 2000.

Japan: Net Receipts Reach 17,650 Billion Yen in 1995

OW0104083796 Tokyo KYODO in English 0724 GMT 1 Apr 96

[FBIS Transcribed Text] Tokyo, April 1 KYODO — - The Japanese Government posted net receipts of 17,650.3 billiop yen in its fiscal fund transactions with the private sector in fiscal 1995 which ended Sunday, the Finance Ministry said Monday [1 April].

This marked an increase of 15,396.1 billion yen from net receipts in the previous year.

A ministry official attributed the sharp growth mainly to higher receipts by public loan corporations, notably Housing Loan Corp., which he said saw considerable advanced redemption.

The general account registsred net receipts of 19,256.7 billion yen, up 289.6 billion yen from net receipts in the previous year.

General account income totaled 67,456.2 billion yen, up 1,341.6 billion yen, while general account expenditures amounted to 48,199.5 billion yen, up 1,052.0 billion yen.

The government's special accounts posted net receipts of 5,651.4 billion yen, compared with net payments of 13,926.2 billion yen in the previous year.

Out of the special accounts, public loan corporations marked net receipts of 4,812.3 billion yen, in a turnaround from net payments of 5,093.1 billion yen in the previous year.

For March alone, the government posted net payments of 5,098.8 billion yen, up 912.2 billion yen from a year earlier.

The general account registered net payments of 1,981.0 billion yen, turning around from net receipts of 382.1 billion yen in the corresponding month last year.

General account income dropped by 2,160.3 billion yen to 4,190.2 billion yen, while general account expenses grew 202.8 billion yen to 6,171.2 billion yen.

The special accounts posted net receipts of 1,485.0 billion yen, compared with net payments of 647.7 billion yen the year before.

For April, the ministry projects net payments of 4,374 billion yen, up 1,111.5 billion yen from a year earlier.

Japan: Impact of NFP's Ozawa-Hashimoto 'Summit' Noted

OW0104092096 Tokyo AERA in Japanese 1 Apr 96 pp 14-15

[Article by AERA staff writer Toshiaki Miura: "Removing Kato Is the Key to Driving the Coalition Into Collapse"]

[FBIS Translated Text] The two politicians kept silent and sat expressionless as if they wore Noh masks.

On the afternoon of 19 March, Prime Minister Ryutaro Hashimoto and New Frontier Party [NFP] President Ichiro Ozawa met in a summit at the Prime Minister's Official Residence, and this was the picture taken of the two before the meeting started. Flashes of still cameras flashed and illuminating lights of television cameras were showered on them. The two men sat tight, looking straight ahead. They did not talk to each other or shake hands. Their faces were those of people determined not to show any sign of friendliness. The atmosphere appeared to say they told themselves they must act this way.

Around that time, Koichi Kato, general secretary of the Liberal Democratic Party [LDP], was on an airplane that had left Haneda. He was on his way to Gifu Prefecture for a stumping tour to help an election campaign of a party candidate running in an upper house by-election set for 24 March.

Fishy Smell of Conservative-Conservative Alliance

By then, three weeks had passed since the Diet was paralyzed by the NFP Diet members' sit-in picketing. And this meeting to seek a breakthrough for the stalemated Diet was going to be held between the two top men, the prime minister and the party president, not between the two party general secretaries, the field commanders of the Diet, as usual. Thus, the meeting could be said to have been unusual in view of the Diet's past practices.

The plan for the summit was announced earlier in the day while Kato's journey to Gifu had been decided the evening before. According to Kato, Kanezo Muraoka, chairman of the LDP Diet Affairs Committee, informed him in the morning [on the day of the summit] that Muraoka "will work on the NFP to get it to agree to a summit." In the political town of Nagata-cho, some speculated, "Leaving (General Secretary) Kato out of it could have been intentional."

Kato himself told a news conference in Takayama city, Gifu Prefecture, in an unhappy tone, "I had thought about a top leaders meeting, but I wondered if it was the time for it. We should do some soul searching about the fact that we had not properly informed other coalition parties of the meeting.

Partner parties of the coalition were all getting suspicious. Yukio Hatoyama, general secretary of New Party Sakigake [Harbinger], commented, "It is rather abrupt. I am not happy with their explanation."

A senior Social Democratic Party [SDP] official said, "I get the impression that decisions are being made behind closed doors."

They were getting suspicious because they could see signs of a policy clash within the LDP on the future of government from this meeting.

General Secretary Kato is a linchpin in the LDP's coalition supporters group, which attaches importance to maintaining LDP cooperation with the SDP and Sakigake. He is also a central figure in party forces calling for a "generation change" (in the party leadership). At the farthest end, on the other side of him, is Chief Secretary Seiroku Kajiyama, who is thought to have set up this meeting and who joined it later on. Kajiyama insists the LDP needs to be unique, and is close to party forces favoring a "conservative-conservative alliance," which envisages cooperating with some NFP members to form a new coalition. In an article he wrote for a magazine before being named chief cabinet secretary, Kajiyama declared, "We should not be content being in the [present] coalition government." He sides with veteran dietmen, and is opposed to Kato in the old-young generation war as well.

Prime Minister Hashimoto, NFP President Ozawa, and Chief Cabinet Secretary Kajiyama are old colleagues in the former Tanaka faction and then the Takeshita faction, which led the LDP and the LDP government toward the end of its long reign of Japan. It would be only natural if one smelled something fishy in this meeting of the three men.

The Summoning of Kato for Questioning Is Drawing Attention

Following the summit, Kajiyama and Ozawa gave separate news conferences. They asserted that the only thing agreed on in the meeting was that the two parties should cooperate in passing before the end of this month the provisional budget bill and the "time-short bills," which need to be acted on within the current fiscal year. In other words, agreement was supposed to have been made only on those matters that needed urgent action.

The topic of most concern in the meeting was the controversial government plan to finance 685 billion yen to bail out housing loan companies [jusen], but the prime minister turned down Ozawa's request to delete that portion from the new years' budget bill. Consequently, the NFP dietmen's siege of the Budget Committee continued.

In Ozawa's news conference, a reporter asked him, "In the meeting, did you discuss the summoning of LDP General Secretary Kato to the Diet for questioning?" Ozawa's reply was, "No, no topics of a specific individual nature were discussed."

The reporters were very much interested in finding out how the summoning of Kato in connection with a political fund scandal was proceeding or developing. The reported scandal alleges Kato to have received 10 million yen in illicit political donations in 1990 from a former vice president of "Kyowa," the steel structure processing company that was found to have given bribes to Fumio Abe, then director general of the Hokkaido Development Agency. When this matter was first brought up four years ago, Kato brushed off the allegation, saying, "I do not remember having met the former vice president," and there was no further probe conducted on it as there was no decisive evidence to prove otherwise.

But recently, a former chairman of Kato's supporters group gave testimony announcing that he was at the scene when Kato received the money and that Kato gave him the money to keep. Now the NFP is presenting the issue of summoning Kato to the Diet for questioning as a condition to the party dietmen's stopping the picketing in the Diet.

If the summoning of Kato to the Diet was indeed discussed in the top leaders' meeting, that could forebode an imminent drastic change in the political scene. The removal of General Secretary Kato of the coalition supporters group from his post could be part of a scenario for steps toward a "conservative-conservative alliance." Suspicions about this possibility can be said to be now growing into fears.

On 9 March, Takeshi Noda of the NFP, who was a whip in the lower house Budget Committee, was heard grilling the SDP's Kosuke Uehara, chairman of the Budget Committee, in a Diet office with regard to the summoning of Kato. Noda charged, "You know this means he lied in questionings by the committee chairman and the Diet."

Four years ago, Kato was chief cabinet secretary to then Prime Minister Kiichi Miyazawa. Among the Japan Socialist Party members then questioning Kato on the Kyowa scandal at the Diet was Uehara himself, the current Budget Committee chairman. The questioning took place before an ad hoc committee deliberating on the bill for Japan's cooperation in UN peacekeeping operations (PKO). Uehara's questioning in the interpellation was at that time forceful and dynamic:

Uehara: "Recent media reports leave no doubt that Kyowa had provided you, Mr. Kato, with 10 million yen in political donations."

Kato: "The Kyowa issue has nothing to do with deliberations on the PKO bill."

Uehara: "You are the minister in charge of the PKO issue. I cannot proceed with interpellating the government if it has to be done with a minister who is suspected of being involved in a scandal. Will you comment on that?"

Kato: "I have no recollection of this so-called 10 million yen donation issue. A review of past records has not revealed it as a fact."

SDP No Longer Questioning Him About the Scandal

Now, Kato has taken considerable backward steps in his position on the matter. He has admitted that 10 million yen had been delivered to the former chairman of his supporters group through his secretary. His story now goes:

"I make it a rule not to get involved in receiving money. But from the perspective of not causing trouble to the cabinet, I have decided to raise that money from the supporters group."

Meanwhile, Uehara, out of concern for the biggest partner party in the coalition government, is keeping quiet. According to feelings he let out to some people around him, he is in a dilemma as he wonders what he should do, telling himself, "There is no change in the basic thinking about summoning him for questioning, but the problem is that the person involved is now the general secretary of the biggest coalition partner party."

Among the three ruling coalition parties, the common thinking is that maintaining General Secretary Kato in his position is equal to maintaining the coalition government. That is why the 19 March top leaders' meeting is coming as a shock to them.

Of course, basically, the scrum formation of the three coalition parties is still solid. It is likely that Prime Minister Hashimoto, SDP Chairman Tomiichi Murayama, and Sakigake representative Masayoshi Takemura are holding frank talks on important issues, like the time for dissolving the lower house. Furthermore, out of deep-seated grudges against Ozawa and out of concern and alarm about Soka Gakkai [a large Buddhist group] supporting the NFP, the main current of thinking within the LDP is that of keeping the coalition as it is. The main trend of thinking in the party is that, first of all, the NFP should be beat up as much as possible. Despite that, the people of the two parties used to belong to the same party, thinking in similar ways. The possibility of a "conservative-conservative" alliance is always there.

What was really discussed in the Hashimoto-Ozawa meeting? It was learned two days later that the prime minister rejected Ozawa's request to dissolve the lower house soon, but was that all that happened? That they sat so expressionless while having pictures taken was probably meant to be a declaration that the meeting was not going to have anything to do with the "conservative-conservative" alliance. But that expressionlessness has only helped to stir up the imaginations of people around them. There are already rumors saying there will be another summit after the Gifu by-election.

Japan: Public Funds for Failed Credit Unions Reconsidered

OW0104123096 Tokyo KYODO in English 1202 GMT 1 Apr 96

[FBIS Transcribed Text] Tokyo, April 1 KYODO — The ruling coalition is considering dropping a clause in one of three finance-related bills that mandates the use of public funds to liquidate failed credit unions, coalition sources said Monday [1 April].

The sources said that a majority of ruling coalition leaders favor postponing a decision on whether to use public funds for bankrupt credit unions in view of the public outcry over a different government scheme to use 685 billion yen in tax money for the liquidation of seven failed mortgage firms or "jusen."

"This is not the time to inject more public funds," said a senior official at Prime Minister Ryutaro Hashimoto's Liberal Democratic Party (LDP).

The move comes the day after the leaders of the LDP's two coalition partners, the Social Democratic Party and New Party Sakigake [Harbinger], agreed to eliminate the clause and postpone a decision on whether to allow the use of public funds for failed credit unions until the next regular Diet session next year.

SDP chairman Tomiichi Murayama and Sakigake leader Masayoshi Takemura, explaining their agreement at a meeting of top coalition officials Monday, said their agreement was not formal but noted that a decision on the issue could not be made at this time, coalition sources said.

The sources said many coalition officials side with Murayama and Takemura as they are concerned about a move by the main opposition party, Shinshinto (New

Frontier Party), to attack the finance bills in a package with the jusen scheme contained in the fiscal 1996 budget.

"There is no need to go quickly because it is not related to the budget," said a top LDP official in charge of Diet affairs.

Shinshinto, riding on a wave of public anger over the jusen scheme, has demanded the government eliminate the use of tax money for the jusen from the budget.

Japan: Government Deciding Whether To Bail Out Credit Unions

OW0104044196 Tokyo KYODO in English 0411 GMT 1 Apr 96

[FBIS Transcribed Text] Tokyo, April 1 KYODO — The Government has yet to decide whether to use public funds to bail out failing credit unions, Chief Cabinet Secretary Seiroku Kajiyama said Monday [1 April].

The top government spokesman made the comment in response to Sunday's agreement by leaders of the two smaller parties in the ruling coalition — the Social Democratic Party (SDP) and New Party Sakigake [Harbinger] — to drop a clause mandating fiscal measures to rescue bankrupt credit unions from revised deposit insurance legislation

In a meeting in Gifu in central Japan, SDP leader Tomiichi Murayama and his Sakigake counterpart Masayoshi Takemura also agreed to put off the failed credit union issue until the next regular Diet session, officials said.

The deposit insurance legislation will soon be submitted to the Diet.

Prime Minister Ryutaro Hashimoto's coalition government formed by the Liberal Democratic Party (LDP), the SDP and New Party Sakigake has been under fire for earmarking 685 billion yen in taxpayers' money for a plan to help liquidate seven moribund housing loan companies.

The accord between Murayama and Takemura to drop from proposed revisions of deposit insurance legislation a clause mandating fiscal measures to rescue bankrupt credit unions is not the parties' official stand, a government spokesman said.

In a meeting Monday [1 April] of leaders and executives from the government and the three ruling parties, Murayama and Takemura made remarks to that effect on their previous day's agreement, said Deputy Chief Cabinet Secretary Kazo Watanabe.

Hashimoto told the same gathering that the government will pursue a previous panel recommendation for such amendments to legislation, Watanabe told a press conference.

Japan: New Insurance Law Paves Way for Greater Competition

OW0104003096 Tokyo KYODO in English 2307 GMT 31 Mar 96

[FBIS Transcribed Text] Tokyo, April 1 KYODO — Japan's revised insurance business law came into effect Monday [1 April], paving the way for life and nonlife insurance companies to enter each other's business fields through subsidiaries.

The law, which was revised to overhaul the nation's insurance services for the first time in 56 years, is intended to infuse greater competition into the sector and to secure the soundness of management of insurance companies.

At present, six major life insurance companies, including Nippon Life Insurance Co., Dai-Ichi Mutual Life Insurance Co. and Sumitomo Life Insurance Co., are making preparations to set up nonlife subsidiaries.

Among nonlife insurance companies, 11 are ready to establish life insurance units — namely four major companies, including Tokio Marine and Fire Insurance Co. and Mitsui Marine and Fire Insurance Co., and seven medium-ranking companies, like Nichido Fire and Marine Insurance Co. and Chiyoda Fire and Marine Insurance Co.

Those life and nonlife insurance companies are expected to apply for Finance Ministry approval in May or June to set up subsidiaries as early as October.

But the schedule could be delayed, depending on developments in Japan-U.S. insurance talks. the talks have been stalled due to confrontations between the two countries over the scope of the so-called third-sector products to be handled by subsidiaries.

The sector covers insurance products against sicknesses, accidents and nursing and foreign companies are strong in the area.

To secure the soundness of insurance business, the law calls on each of the life and nonlife insurance industries to create a fund to protect policyholders against possible failures of insurance companies.

If a company collapses, the fund to be created by the life insurance industry will extend up to 200 billion yen to support the transfer of insurance contracts to another company.

The nonlife insurance industry's fund will cover up to 30 billion yen against a company's failure.

Under the law, the ministry introduced solvency margin standards for a quick response to the possible worsening of operations at companies.

The standards are designed to measure how much money insurance companies can pay to policyholders beyond mandatory reserves.

If a company falls short of a certain level of solvency margin, the ministry can issue a business improvement order. The law, however, does not require the ministry to make public each company's solvency margin.

Disclosing each company's solvency margin is a future task, a ministry official said, adding that taking such a step immediately would cause unease among customers.

Japan: Management Agency To Inspect MOF Administration

OW0104121796 Tokyo ASAHI SHIMBUN (Morning Edition) in Japanese 30 Mar 96 p 2

[FBIS Translated Text] On 29 March, the Management and Coordination Agency [MCA] firmed up a plan to make its first inspection of the financial administration of the Ministry of Finance [MOF], which is increasingly criticized for its negligent management of financial affairs, such as its failure to prevent bad loans possessed by housing loan corporations (jusen) from swelling. The MCA intends to start the inspection by the end of FY96 at the latest after the budget bill, along with a related bill incorporating measures to liquidate jusen, is adopted. The MCA plans to come up with a report within a year. At the same time, the MCA will inspect each prefecture's financial administration for credit unions and financial practices of agricultural cooperatives and fishermen's unions, keeping in mind the poor finance practices of bankrupt Cosmo Credit Corp. in Tokyo and Kizu Credit Corp. in Osaka.

The purpose for inspecting the MOF's financial administration is to check 1) if Deposit Insurance Corp., which is to be strengthened with the liquidation of jusen, is ready to produce expected results and 2) if there are any deficiencies in systems for supervising and inspecting general banking institutions, including banks that are founders of jusen.

As for the MOF's supervision over general banking institutions in particular, a senior MCA official indicated a critical view, saying: "The MOF had jusen hedged in by making banking institutions submit bulky volume of files and documents and by giving administrative guidance to the minutest details. Nevertheless, the jusen issue emerged, and we wonder how meaningful the MOF's supervision and inspection system was." In this sense, the MCA considers it necessary to take streamlining measures, such as narrowing the subject of MOF supervision and inspection.

North Korea

DPRK: International Group Supports Peace Mechanism Proposal

SK2803120196 Pyongyang KCNA in English 1001 GMT 28 Mar 96

[FBIS Transcribed Text] Pyongyang, March 28 (KCNA) — "The Korean armistice agreement must be replaced with a peace agreement as demanded by the resolution of the 30th session of the UN General Assembly."

Guy Dupre, secretary general of the International Liaison Committee for Reunification and Peace in Korea, said in a letter to the U.S. president on March 16. [punctuation of first two paragraphs as received]

He held that the United States should ponder over the DPRK Government's proposal of establishing a new peace-keeping mechanism on the Korean Peninsula, which will replace the outdated armistice system, and respond to it.

This fully conforms to the interests of the Korean and American people as well as to the aspiration of the world community and world trend towards peaceful settlement of disputes, he added.

DPRK: Asian Groups Urge U.S. To Respond to Peace Proposal

SK3003095996 Pyongyang KCNA in English 0940 GMT 30 Mar 96

[FBIS Transcribed Text] Pyongyang, March 30 (KCNA) — A joint extraordinary meeting of the Asian Regional Committee To Support Korea's Reunification and the Indian Committee for Supporting Korea's Reunification, held in New Delhi on March 21, urged the United States to respond to the DPRK's new peace proposal.

A letter to the U.S. President adopted at the meeting recalled that the DPRK Government proposed to the United States to conclude a tentative agreement in order to prevent armed conflicts and danger of war on the Korean Peninsula until a complete peace agreement is signed. This proposal fully conforms to the interests of the United States, too, it added.

It is very regrettable, the letter said, that the United States, a signatory to the Korean Armistice Agreement and directly responsible for peace and security of the Korean Peninsula, has not yet made an affirmative response to the proposal.

It held that the U.S. must show a responsible attitude toward the issue of peace-keeping mechanism on the Korean Peninsula, with its own independent judgement and view.

It is entirely due to the lack of the U.S. side's political will and determination that the DPRK-U.S. negotiation has not been opened for the solution of this issue, the letter stressed.

DPRK: Foreign Groups Support Reunification, DPRK Proposal

SK3003133996 Pyongyang KCNA in English 0937 GMT 30 Mar 96

[FBIS Transcribed Text] Pyongyang, March 30 (KCNA) — A joint extraordinary meeting of the Asian Regional Committee to Support Korea's Reunification [ARCSKR] and the Indian Committee for Supporting Korea's Reunification was held in New Delhi on March 21.

Addressing the meeting, Om Prakash Mantri, secretary general of the ARCSKR, said that if the situation is to be stabilized and arms buildup and danger of war are to be checked on the Korean Peninsula, a new security-keeping mechanism should be established following the end of the cold war.

To this end, the United States directly responsible for ensuring peace in the Korean Peninsula must affirmatively respond to it, he added.

For a mechanism ensuring a complete, comprehensive and lasting peace, primary attention should be directed to replacing the armistice agreement with a peace one and establishing a new peace- keeping mechanism, the speaker held.

An appeal was adopted at the meeting, which called upon governments, political parties and organizations of all countries and international organizations to launch a worldwide signature campaign demanding an early realization of the DPRK's proposal of establishing a new peace-keeping mechanism on the Korean Peninsula.

The meeting adopted a letter to the U.S. President.

DPRK: Cuba Supports Proposal for Tentative Agreement With U.S

SK2903025096 Pyongyang KCNA in English 0232 GMT 29 Mar 96

[FBIS Transcribed Text] Havana, March 27 (KCNA) — A spokesman for the Foreign Ministry of Cuba made public a statement on March 22, supporting the DPRK's new peace proposal for signing a tentative agreement between the DPRK and the U.S.

The statement said:

The Foreign Ministry of Cuba positively supports the DPRK's new proposal for concluding a tentative agreement between the DPRK and the U.S. to remove the danger of an armed conflict in the Korean peninsula.

The Foreign Ministry of Cuba is convinced that the proposal will greatly contribute to the peace and security of the region and the reunification of Korea.

DPRK: Cilreco Supports Proposal for New Peace Mechanism

SK3003134096 Pyongyang KCNA in English 0928 GMT 30 Mar 96

[FBIS Transcribed Text] Pyongyang, March 30 (KCNA) — The secretariat of the International Liaison Committee for Reunification and Peace in Korea (Cilreco) issued a letter of information on March 22.

The information said that the Asian Regional Committee to Support Korea's Reunification recently proposed a signature campaign for supporting the DPRK proposal to establish the new peace mechanism in the Korean Peninsula.

The Cilreco Secretariat called on the Western European, African, Latin American and Caribbean Regional Committees and all the National Committees for Support to Korea's Reunification to launch the signature campaign from April in response to the initiative of the Asian Regional Committee to Support Korea's Reunification.

All the Regional and National Committees and Organizations for Support to Korea's Reunification will conduct gathering, demonstration, issue of statement and other forms of solidarity movement in conformity with the realities of each area together with the signature campaign, said the information.

DPRK: Koreans in U.S. Urged To Support Reunification

SK3003134796 Pyongyang KCNA in English 0943 GMT 30 Mar 96

[FBIS Transcribed Text] Havana, March 28 (KCNA) — Pak Kwang-ki, chief of the Cuba Mission of the National Democratic Front of South Korea, gave a speech for Koreans in the United States, through the Havana International Broadcasting Station, on Tuesday. His speech entitled "Let Us Join Efforts in the Sacred Cause For Achieving Peace and Peaceful Reunification of the Korean Peninsula by the Great Unity of the Nation" was made three years after the Great Leader President Kim Il-song published the "Ten-Point Programme of the Great Unity of the Whole Nation For the Reunification of the Country" in April, 1993.

He said that the general goal and ideological basis of great national unity, the principles and ways of unity are comprehensively expounded in the "Ten-Point Programme of the Great Unity of the Whole Nation for the Reunification of the Country".

When the entire fellow countrymen struggle valiantly in firm unity the bellicose forces will become impotent and a new phase of peaceful reunification be opened, he said.

The fellow countrymen in the South, North and overseas, he stressed, should have contacts and dialogues on a wide scale and wage an active struggle for the abolition of South Korea's "National Security Law" and the removal of its fascist repressive system.

DPRK Paper Urges Removal of U.S. Troops From Japan

SK0204092396 Pyongyang KCNA in English 0849 GMT 2 Apr 96

["What Is U.S. Military Presence in Japan For?" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 2 (KCNA) — The United States intends to maintain the "U.S.-Japan Security System" and reinforce its military presence in Japan for its interests and strategic purpose. For the attainment of the purpose, the U.S. seeks to make an effective use of Japan.

NODONG SINMUN says this in an article today.

The daily further says:

The U.S. claims that its military presence in Japan is necessary for Japan's "security." But it is not true. U.S.-Japan relations are something like relations between wolf and fox. The U.S. has no intention to devote its sweat and blood to Japan.

It is the U.S. position and strategy to attain its military goal in Asia with Japan as a beachhead.

Wary of Japan, the U.S. is trying to control Japan through its troops stationed in Japan and deter its possible challenge to the U.S.

The primary task of the Japan-stationed troops is to engage in operations on the Korean peninsula and contribute to the U.S. invasion of Korea.

It is the U.S. invariable Asia strategy to keep hold on the Korean peninsula of military strategic importance and, with it as a springboard, dominate Asia militarily.

The U.S. will use Japan as a sortie, supply and logistic bases in the invasion of Korea and its troops in Japan will be a major task force. The U.S. military bases and forces in Japan have been prepared for another war against the Democratic People's Republic of Korea.

Another important operational theatre of the U.S. troops in Japan is Middle East.

The U.S. military bases and forces in Japan played an important role in the Persian Gulf War.

The alleged "protection of Japan" by the U.S. is nothing but a pretext for keeping its troops in Japan. And the U.S. military presence in Japan is necessary only for aggression and interference in Korea and other countries and regions.

The U.S. troops present in Japan should be withdrawn without delay.

DPRK: Japan Mission of NDFSK Urges Overthrow of Kim Yong-sam

SK3003134396 Pyongyang KCNA in English 0925 GMT 30 Mar 96

[FBIS Transcribed Text] Pyongyang, March 30 (KCNA) — The Japan mission of the National Democratic Front of South Korea issued a statement on March 26, calling upon people to make the theatre of the 15th "general election" in South Korea a position for overthrowing Kim Yong-sam, demanding the making public of the "presidential election" fund in 1992 and the punishment of all the murderers of Kwangju citizens, according to a report.

The statement called for inflicting a defeat on the "New Korea Party" to pull down the foundation of the "civil" dictatorship and frustrate the U.S. interference in "election" and internal affairs.

The statement ardently appealed to all people to conduct a powerful, independent and democratic mass movement to achieve a victory in the forthcoming "general election" struggle and vigorously greet the dawn of independence, democracy and reunification.

DPRK: Korean Youth in Japan Publish Statement on ROK

SK3003012596 Pyongyang KCNA in English 1002 GMT 29 Mar 96

[FBIS Transcribed Text] Tokyo, March 27 [date as received] (KNS- KCNA) — "The Korean youth and students in Japan will crush the anti-national, anti-reunification moves of the traitor Kim Yong-sam, through a joint struggle of youth and students in the North, South and overseas, rescue coeds Chong Min-chu and Yi Hye-chong and reunify the country without fail."

The Central Standing Committee of the League of Korean Youth in Japan said this in a statement published on Tuesday.

The statement said the merciless suppression of the "birds of hope for reunification" showed the whole world once again that the Kim Yong-sam clique are peerless fascist scoundrels who are indifferent to peace and reunification of the country but are trying to stamp out all the pro-reunification patriotic forces.

"We, in the name of the entire league officials and Korean youth and students in Japan, scathingly denounce the Kim Yong-sam clique for 'incriminating' Chong and Yi, and brand them as the enemy of the nation and reunification," it added.

DPRK: Inter-Korean Beijing Contact Proposal Viewed

SK0204094396 Pyongyang Radio Pyongyang in Korean to South Korea 1305 GMT 30 Mar 96

[FBIS Translated Text] High-ranking South Korean authorities have recently talked as if a fourth round of the contact has not been held due to our side's failure to make any official proposal since the North-South contacts, which were held in Beijing on three occasions, and were suspended last year. In this relation, on 30 March, our side's chief delegate to the Beijing contact between the North and South sent to the South side's chief delegate a fax message proposing the resumption of a fourth round of the North- South contacts in Beijing.

The message is as follows:

Dear Yi Sok-chae, South side's chief delegate to the Beijing contact between the North and the South,

You may well know that the two sides agreed last year to continue the contact during the first round of the Beijing contact. However, in spite of our side's consistent efforts and good-intentioned steps, the contact has long been suspended. Regretting that your side's high-ranking officials concerned recently made statements as if the contact has been put off because of our side's failure to make an official proposal, we propose that the fourth round of North-South contact be held in Beijing on 27 March. I look forward to your side's positive response.

[Signed] Chon Kum-chol, North side's chief delegate to the Beijing contact between the North and South.

[Dated] 20 March 1996

DPRK: ROK 'Provocative' 'War Exercise' Condemned

SK0204044596 Pyongyang Korean Central Broadcasting Network in Korean 1224 GMT 1 Apr 96

[Commentary by Yun Pyong-son: "War Clouds Are Approaching"]

[FBIS Translated Text] A grave situation is being created on the Korean peninsula, causing anxiety to the world people. The South Korean puppets — who have been staging a large-scale exercise for northward invasion daily with outside forces since the beginning of this year — are frantically waging the provocative Hoguk-96 war exercise in the skies, on the land and in the seas by mobilizing the massive armed forces of the puppet Army, Navy, and Air Force, thus further leading the situation to the brink of war.

Along with this, the puppets are continuously committing grave provocations against us in the Military Demarcation Line and the DMZ and, thus, are scheming to cause a military crisis in a bid to provoke a new war. The seriousness of the danger of war on the Korean peninsula can be well shown by a single fact that in terms of their scale and intensity [chipchungdo], war exercises staged in South Korea increased 1.3 times compared with last year and 1.5 times compared with the previous years. This vividly tells us that the new war provocation maneuvers by the puppet clique of warmaniac Kim Yong-sam have reached a serious stage.

The South Korean puppets are now clamoring that their maneuvers for northward invasion are due to the possibility of someone's nonexistent military adventure or due to its military threat. However, this is nothing but a sophistry aimed at diverting people's attention elsewhere by misleading the public opinion and at justifying their adventurous maneuvers for a war of northward invasion.

Initiating to make this year a year of peace and great national unity, we have been making all possible efforts for its realization. Recently, we went so far as to put forward a proposal to conclude a tentative agreement between the DPRK and the United States in order to remove the increasing danger of war on the Korean peninsula and to secure peace there. This is a well-known fact.

A nonaggression agreement was adopted and has been effected between the North and the South; and a North-South joint military organization has been inaugurated between them. Under these circumstances, if the tentative agreement is signed between the DPRK and the United States, our nation will be able to escape the danger of war and peace will be realized on the Korean peninsula. This leaves no room for doubt.

Nevertheless, the Kim Yong-sam ring chronically clamored about a possible adventure, threat, and the like. This is aimed at implementing the scenario for a war of northward invasion, which it already mapped out against us.

This is proven by the fact that the puppets are attempting to resolve the North-South issue with physical strength, that is to say, by means of war, clamoring that the issue can be resolved only by military strength.

All facts clearly show that the Kim Yong-sam ring is persistently attempting to provoke a war of northward invasion.

The danger of a new war on the Korean peninsula is approaching from hour to hour, and the clouds of war are coming from the South to the North on the strength of the bellicose Kim Yong-sam group. This is more so because the traitorous Kim Yong-sam clique is trying to find a way out through a war from its serious regime crisis — caused by the slush fund scandal and the maneuvers for protecting the 18 May slaughterers — and because the Military Armistice Commission, the institutional mechanism for deterring arms conflicts and the danger of war, has become a mere scrap of paper.

It is the outcome of our sincere efforts, peace-loving policy, patience and self-restraint that peace has been maintained up until now on the Korean peninsula where the danger of war prevails all the time.

A stag at bay is a dangerous foe. Likewise, there is no guarantee whatsoever that the Kim Yong-sam ring, which has been driven into a corner due to the people's curse and condemnation, will not trigger a war.

We do not want war, but we never fear war. Fire is controlled by water. Punishing warmaniacs thousandfold is precisely the revolutionary nature of our people and People's Army.

If the South Korean puppets ignite a war after miscalculating our peace-loving efforts, the rascals will be burned to death in the fire set by themselves.

The Kim Yong-sam clique should clearly know that if it touches an inch of land and a clump of grass in our fatherland, its [word indistinct] bone will be broken; and should not run wild at random.

DPRK: Talk Criticizes Kim Yong-sam for 'Instigating' War

SK0204041596 Pyongyang Korean Central Broadcasting Network in Korean 1223 GMT 29 Mar 96

[Commentary by Yun Pyong-son: "Reckless Absurd Acts of Those Who Have Lost Reason"]

[FBIS Translated Text] These days, the South Korean puppets are making violent bellicose remarks one after another. According to a report, Yi Yang-ho, the so-called puppet defense minister, held a so-called monthly meeting on 27 March and, finding fault against us, babbled about being fully prepared militarily and doing its best.

Prior to this, the so-called puppet Air Force Chief of Staff talked nonsense by talking about the possibility of the North's military adventure and so on, and angrily said to actively deal with this matter. This is an absurd remark instigating confrontation and war against us, and once again reveals their true bellicose nature.

Just like the saying that none of the twelve calls of a crow is music, it is all too clear that no other words can come from the mouths of war maniacs who are instigating war. However, we cannot by any means overlook the fact that the puppets seriously stimulated us through their bellicose words and acts of slandering us without hesitation.

The Kim Yong-sam ring is preposterously finding fault against us by frequently saying there is a possibility of military adventure and provocation by the North, and so on, but this is sophistry that will persuade no one. As everyone knows, we initiated the move to make this year a year of peace and great national unity, and we are making all kinds of efforts to realize this. In addition, we put forth the proposal of replacing the old armistice system with the new peace guarantee system to eliminate the danger of war and guarantee solid peace on the Korean peninsula. Recently, we even put forth a developed proposal for concluding a tentative agreement between the DPRK and the United States.

When viewing this alone, we know all too well that the so-called military adventure and possibility of provocation which the puppets are babbling about are extremely preposterous sophistry filled with schemes. It is clear that the Kim Yong-sam ring is indeed comprised of those who have lost so much reason that they cannot distinguish right from wrong because they are wrapped up with the heat of war. Otherwise, how could they insist that white is black?

The puppets who are filled with malice are finding fault against us. This is a true wicked attempt to continue to intensify a tense situation on the Korean peninsula through maneuvers for a war to invade the North and may ultimately ignite the fire for a second Korean war. We can all the more clearly notice this when viewing the puppets' military moves which are all the more reckless with each passing day.

The puppets who drew up and announced the schedule for the large- scale war exercise which will be held in an unprecedented fashion all year round, are all the more crazily carrying out the war exercise opposing us along with the outside forces and are all the more leading the situation toward the brink of war.

Recently, the Kim Yong-sam puppet clique conducted the civilian- administration-army joint exercise which reminds us of actual warfare. It is even holding the provocative Hoguk-96 war exercise by mobilizing the enormous forces of the puppet Army, Navy, and Air Force right at this time.

While making military threats through maneuvers for a war to invade the North, they are finding fault against someone else. This is a brazen-faced act which is just like a thief calling someone else a thief.

The threat from the North which the Kim Yong-sam clique is clamorously babbling about is a sophistry to rationalize their maneuver to ignite a war to invade the North, and the call for perfect military preparation is nothing but an instruction to all the more step up preparations for a war to invade the North.

The breakout of war is merely a question of time, and it is clear as the sighting of fire that the Kim Yong-sam ring is working to provoke a war to invade the North. The Kim Yong-sam clique which has fallen into a muddy pool of destruction because it received hard blows both at home and abroad, is currently struggling to get out of this situation by provoking a new war. However, this is the last revilement by those who are dying, and it will only hasten their ultimate destruction.

Our People's Army which is prepared for any kind of modern war, be it offensive or defensive, are keenly observing the rascals' instigation embraced with the spirit of being able to exterminate any enemy in a single blow. If the South Korean puppets miscalculate our peace-loving will and make a clumsy fire, then they will not be able to even pick up their bones. The South Korean puppets must correctly look at reality and act with discretion.

DPRK: South Korean 'Defector,' Wife Interviewed

SK0104121496 Pyongyang KCNA in English 1157 GMT 1 Apr 96

[FBIS Transcribed Text] Pyongyang, April 1 (KCNA) — A South Korean defector Chong Yon-kyo, 66, and his wife Yi Myong-sun, 50, were interviewed by reporters here today.

Chong Yon-kyo once served as vice-chairman of the Kunpo city and Sihung city, Kyonggi Province, offices of the "New Political Reform Party" of South Korea.

Chong said he and his wife, disillusioned with Kim Yong-sam's power politics, underhand politics, wanted to enjoy themselves in their remaining years in the North where a bright future of the nation is guaranteed.

While being active in the opposition party and law circles, he noted, I served Kim Yong-sam in secrecy.

It was in 1946 that I was acquainted with Kim Yong-sam he said. I happened to save his safety. Since then, we had been close friends.

He further said:

I had contacts with Kim's political rivals to get a knowledge of their misdeeds and inform him of them.

Kim outpolled Kim Tae-chung and Chong Chu-yong in the 'presidential elections' in December 1992 and became 'president', that was the old dream he had harbored from the middle school days.

Kim Yong-sam praised me for helping in his "president-elect" and asked me to pry out the scandals of Pak Chan-chong, a politician of an opposition party.

I was given a task to ostracize Pak Chol-on, one of Kim's archrivals, morally. I tried to get somthing about his wrongdoing from judicial officials and, in that course, I learnt that Pak helped a pachinko owner free from tax survey after getting a bribe.

Pak was sentenced to an imprisonment of a year and six months shorter than what Kim wanted.

That was why I had been hated by Kim. Since I criticized Kim's plots, I had been put under his heavy pressure.

There was even a call threatening to kill me in a bid to keep me from revealing Kim's plots.

In a word, Kim Yong-sam is a human dreg.

He has been well known as a satyr from his teens.

Kim Yong-sam fell in homosexual love with the driver of his car for a long time. He raped a girl in the twenties with whom his son Hyon Chol had close relations.

Kim Yong-sam is number one in irregularities, too.

The "New Political Reform Party" investigated the irregularities and swindles of Kim Yong-sam during the "merger of three parties" in 1990. According to the investigation, Kim Yong-sam received 50 billion won from No Tae-u at the time of the merger and 50 billion won for the expense of alluring "those assemblymen" opposing the merger or leaving the party right after the merger, totalling 100 billion won. If the "presidential election fund" is made public, Kim Yong-sam will be put on the gallows. Kim Yong-sam makes no scruple of any action if it is unfavourable to him because he has a hasty temper with no reason or discretion. The whole nation should rise to overthrow Kim Yong-sam, the root cause.

Referring to the fact that he underwent an operation for his intestinal trouble after he came over to the northern half of Korea, Chong Yon-kyo said: Warm human love and feelings of affection overflow between doctors and patients.

Noting that the respected General Kim Chong-il is his benefactor and the savour of his life, he said he would do all his duty and obligation as one of people of the general.

DPRK: SKNDF Issues Open Letter on General Elections

SK2903044796 Pyongyang Korean Central Broadcasting Network in Korean 0100 GMT 25 Mar 96

[FBIS Translated Text] According to a broadcast from the Voice of National Salvation from Seoul, the Central Committee of the South Korean National Democratic Front [SKNDF] issued an open letter to all the people in connection with the upcoming 15th general elections in South Korea. The open letter is as follows:

An Open Letter to All the People

All the people: The 15th general elections are at hand. Today, our people will participate in the general elections under the worst fascist situation and phase of political suppression.

The Kim Yong-sam civilian dictatorial regime, which has dashed along the declining track of total bankruptcy by the failure of the so-called reform policy, has exposed its most vicious naked feature of fascism to the entire world.

The evil fascist laws and suppressive institutions that shackled the people under the military dictatorship have imprisoned nearly 2,000 patriots and democratic citizens since the initiation of the civilian dictatorship, displaying their notoriety in trampling down human rights.

The dogmatic and violent civilian dictatorship turned the National Assembly into an arena where the ruling party's monopolizing of the National Assembly is rampant, and is perpetrating a fascist and tyrannical rule worse than the military dictatorship of the Sixth Republic.

The Kim Yong-sam ring's absolute dictatorship spread absolute corruption throughout this land. The structure of corruption of South Korea, with Chongwadae [presidential offices] at its top, further flourishes as a presidential enterprise today, and the traitor Kim Yong-sam who emerged at its head rapidly rose to be the richest man in the ROK.

The corruption of the civilian group of thieves has turned this land into a kingdom of thieves where power breeds money and where money is concentrated into power. Because the regime is corrupt, a rotting stench emanates from all fields of society, including the political, economic, and cultural fields. This is the reality of South Korea today.

In a dire extremity of the crisis of the corrupt civilian fascist system, the Kim Yong-sam regime is making a last-ditch attempt to win the 15th general elections.

According to last year's strategy of coexistence with the military dictatorship, the Kim Yong-sam ring carried out the ostensible arrest and trial on Chon Tu-hwan and No Tae-u, and legislated the 18 May special law, thus staking everything on misleading public sentiment. Driven on by the speed and vigor with which it did that, the Kim Yong-sam ring is staging a drama of agitating public sentiment aimed at tiding over the crisis in the gist of the 15th general elections.

Under the deceptive slogan of the so-called rectification of history and clean elections, the Kim Yong-sam ring is staging controlled political public trials of the murderers of the Kwangju massacre, and is making all sorts of unattainable campaign promises aimed at winning people's favor; the Agency for National Security Planning is putting into practice its plot to carry out the public security-oriented election, shackling the people's sentiment with the chains of division under the slogan of an anti-North confrontation.

The Kim Yong-sam group's tactic of corrupt tie-ins between business and political circles with comprador capitalists is becoming more sophisticated, and the money offensive is staining the election stage.

To escape the current crisis and maintain and prolong the get-rich-quick corrupt dictatorial system, traitor

Kim Yong-sam, who is mad for power and money, personally became an election campaigner, and the whole administrative power was degraded into the fascist New Korea Party [NKP]'s election organization.

Moreover, a cold wave hit the anti-North scheming propaganda and commotion of war to invade the North, thus, political scornfulness spread among the people, and even a bit of expectation in the general elections is falling to pieces.

It is clear as seeing a fire who will benefit from the result of the 15th general elections, which will be held amid the extremely fascist and corrupt society. However, if the popular masses ignore the general elections situation, it will open the road for the civilian-ruled dictator to live, and if the fascist NKP cannot be reprimanded by casting votes (?for the opposition parties), the great cause of democracy will be retreated to the starting point.

The upcoming general elections are an acute confrontational war between democracy and fascism, and a historic watershed determining the fate of the civilian-ruled fascism and direction of democracy.

Through the upcoming general elections, our people will once again verify their democratic will and national historical responsibility for an independent reunification.

The general elections struggle against the Kim Yong-sam civilian- ruled dictatorship, which relies on organizations for election rigging and the strengthened corrupt structure, earnestly requests that all the people advance into this struggle.

More than ever before, today's election situation is arduous and acute, but the subjective and objective situations are providing a favorable condition in the victory of the general elections by the national and democratic forces.

The Kim Yong-sam regime, which is the greatest stumbling block to democracy, was directly hit by the No Tae-u secret fund scandal, thus, it is revealing a catastrophic situation which is beyond salvation.

The democratic patriotic forces must create sympathy in the all people's anti-Kim Yong-sam democratic struggle and are satisfactorily manifesting the might of a locomotive in the antifascist resistance.

We must rise by overcoming the blood-filled lessons derived from the 19 April, October resistance, the 18 May Kwangju uprising, and the June democratic resistance so that the reviling offensive of the civilian-ruled dictatorship can be smashed into a hot-wind of nation-wide struggle against the general elections.

The ultimate goal of the 15th general elections is to crush the civilian-ruled dictatorship's conspiracy of regaining power by destroying the NKP, overthrow the corruptive politics, and form a fresh democratic political climate.

Our people's struggle against the general elections is to break away from the past corrupt practices of being abused by the pro- American conservative groups' changing alignment of political parties and dividing power, and thoroughly work to lay the foundation for establishing new democratic politics.

Only then can a breakthrough to provide the masses with political power, which the national and democratic forces are pursuing, can be achieved, and succeed in building an independent civil administration.

The upcoming general elections are a struggle between the progressive and the conservative and the new and the old, and at the same time, it is a skirmish for power change in 1997.

We should concentrate all the fire power of the struggle in burying the NKP of Kim Yong-sam, who is the ringleader of the old and corrupt conservative political sector.

Judging that Kim Yong-sam is a priority task in the struggle against the 15th general elections, there is only an adamant national judgment, not an interim evaluation, left for Kim Yong- sam's civilian-ruled dictatorship that has lived out its life with the military dictatorship.

The kernel of resolving the issue of the secret fund scandal and liquidating the 18 May massacre crime is to disclose the presidential election fund for 1992, and to punish all those involved. This is a detonator in the struggle against the general elections aimed at overthrowing Kim Yong-sam.

We will lose the initiative in today's favorable struggle situation, if we are manipulated by the deceptive plot of Chongwadae, which avoids such organizational problems and makes desperate efforts of setting history straight, and then fail to put traitor Kim Yong-sam, who is the original sinner of corruption and who is strangling democracy, on the bar of the general elections.

Let us firmly adhere to giving priority to the general elections struggle in the anti-Kim Yong-sam struggle. Let us make the general elections stage into a camp to overthrow Kim Yong-sam by demanding the disclosure of the 1992 presidential election fund and punishing all the Kwangju slaughterers.

The fascist NKP is a basic target for the struggle against the general elections. Even in disguise of the NKP, the Democratic Liberal Party cannot escape from the disgrace of being a treacherous fascist and main corrupt party.

By spreading the flame of the victory in the regional elections, our people will corner the NKP to Pusan, a small city, and frustrate Chongwadae's attempt to control the 15th the National Assembly.

Let us inflict a crushing defeat on the NKP and break the foundation of the civilian dictatorship.

Removing the conservative political circles is essential to building a civilian regime, and this can be achieved through a generational change. A generational change people hope for is not the replacement of old politicians with young ones but a political change by genuine progressives devoted to democracy.

Let us overthrow the conservative political circles parasitic on the incurable corrupt system, elect democratic candidates who people field and support, and make a new wave of progressivism and reforms prevail this land.

Blocking the United States from intervening in the election is a basic condition for holding a democratic election. The elections held so far in this land opened and closed according to the scenario and direction of the United States, and the results of the elections were manipulated by the computers of the U.S. CIA.

Let us deal a devastating blow to the treacherous NKP and frustrate the U.S. attempt to intervene in the election and our internal affairs.

A general election struggle against the dictatorship which is holding guns and bayonets entails serious power confrontation and a war of wisdom. Therefore, no victory can be won without correct strategies and tactics. All democratic and patriotic forces must correctly watch the radically changing situation facing the general elections, carefully examine themselves and their enemy, and consider burying Kim Yong-sam's NKP to be a basic goal.

For all the people to wage the struggle to crush the election campaign which the government and ruling party are launching by using administrative power and money is essential to a victory in the general elections. Fair elections can be held by the people. All the people, who are voters, must work as those who ensure fair elections and play a leading role in the struggle to disclose election frauds to remove chronic violent and corrupt practices in the elections.

Let us disclose and condemn election frauds by the NKP, cut the hands and feet of the civilian dictatorship, and build a foundation for democratic elections.

General elections are an important means to invigorate the popular movement. We can prevent the popular movement from turning conservative, enter the phase of a democratic reform movement, and actively cope with a situation expected to come after the generation elections only when we closely link this movement to the general election struggle and unite people from all walks of life behind the struggle to overthrow the NKP.

Let us achieve a breakthrough for a victory in the general elections by powerfully carrying out various independent and democratic popular movements. Let us victoriously conclude the upcoming spring struggle for wage increases and expand and develop the movement for independent, democratic reunification by heightening popular fervor for the struggle to win a victory in the general election.

Achieving unity among the democratic and patriotic forces is a key to a victory in the general election. All democratic forces who yearn for new politics, new systems, and new lives must realize that division will lead to a defeat and unite among themselves based on the truth that unity leads to victory.

Let us finish the NKP in unity and win a victory in the general elections today, just as we fought shoulder to shoulder yesterday after transcending differences in political views and religions.

As the general elections near, the fascist Kim Yong-sam group, which is at the end of its ropes, is wriggling more desperately. However, this will only hasten its destruction.

Victory will be on the side of our people who have declared that the corrupt politics and systems and the civilian dictatorship must be brought to an end.

Let us all break through the shackles of subjugation and fascism with a confidence in a victory, gather in the square of the general election struggle, and join in the sacred cause of founding an independent civilian regime.

Let us win a victory in the general election struggle without fail and vigorously bring in the dawn of independence, democracy, and reunification.

[Signed] SKNDF Central Committee

[Dated] 20 March 1996, Seoul

DPRK Daily Urges Koreans To Support Reunification Plan

SK2803121596 Pyongyang KCNA in English 1005 GMT 28 Mar 96

["Realisation of DPRK's Proposal Called For" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 28 (KCNA) — All the Koreans in the North, South and overseas should firmly get united as one regardless of the differences in ideology, idea and social system, foil the traitorous Kim Yong-sam clique in their schemings against peace and reunification and make 1996 a "year of peace and great national unity" for a new phase of national reunification in hearty response to the call of the joint meeting of political parties and public organisations in the Democratic People's Republic of Korea, urges MINJU CHOSON in a signed commentary today.

The analyst further says:

Broad segments of Koreans at home and abroad are actively turning out in a nationwide struggle for making 1996 a "year of peace and great national unity", which is evidence of the validity of the proposal adopted at the joint meeting.

The proposal enjoys full support and sympathy from among Koreans of all walks of life at home and abroad because it is most realistic and reasonable in view of the demand of the present situation and in view of the desire and aspirations of the fellow countrymen. The proposal with great attraction is powerfully encouraging all the Koreans in the North, South and abroad to a struggle for peace and great national unity.

DPRK: Union Expresses Support for ROK Workers 'Struggle'

SK2803035996 Pyongyang KCNA in English 0238 GMT 28 Mar 96

[FBIS Transcribed Text] Pyongyang, March 28 (KCNA) — "We extend support and encouragement to the South Korean workers in the struggle for vital rights and democratic freedom," said a spokesman for the Central Committee of the Union of Transport and Fishery Workers of Korea in a statement published on Wednesday.

The spokesman described the South Korean workers' struggle against the Kim Yong-sam group's anti-social labour policy and plunder and for wage hike and improvement of working conditions as a righteous struggle for the elementary right to existence.

"We earnestly call upon the South Korean workers to more vigorously wage their struggle for wage hike and improvement of working conditions, in close unity with the anti-Kim Yong-sam struggle of people from different walks of life," he said.

He expressed the belief that South Korean transport and fishery workers would continue their valiant struggle, the flame of which was kindled by themselves, until their demand is met.

DPRK Paper Applauds ROK Workers' 'Struggle' for Rights

SK2803115696 Pyongyang KCNA in English 0936 GMT 28 Mar 96

["NODONG SINMUN Expresses Support for S. Korean Workers' Struggle" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 28 (KCNA) — It is only too natural and is a legitimate right to independence that the South Korean workers have risen up in a mass struggle for their vital rights and democracy, says NODONG SINMUN today.

In a commentary titled "United Struggle Is Their Only Choice" the daily says:

The South Korean workers have keenly felt through their life that they cannot free themselves from slavery with Kim Yong-sam, a traitor and fascist tyrant who is seeking to remain in power and enjoy personal luxury and glory by bleeding the workers white, left alone.

History shows that the oppressors never offer freedom and rights to the people and they can be achieved only through the united struggle of the workers and all other people.

Well aware of this historical lesson, the South Korean workers have turned out in the spring struggle for democracy in teeth of the fascist clique's harsh suppression.

They must keep heightened vigilance against the Kim Yong-sam group's criminal moves to brutally crack down on their righteous struggle again, calling it "illegal", and smash the moves with a united, undaunted struggle.

DPRK: 'Suppression' of ROK Students Denounced

*SK2903045196 Pyongyang KCNA in English
0335 GMT 29 Mar 96*

["S. Korean Authorities' Fascist Suppression of 'Birds of Hope for Reunification' Denounced" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 29 (KCNA) — A meeting of the teaching staff and students of Kim Il-song University was held on Thursday to condemn the Kim Yong-sam group's fascist suppression of Chong Min-chu and Yi Hye-chong, "birds of hope for reunification".

Speakers at the meeting said with indignation that the Kim Yong- sam group have unhesitatingly demanded severe penalties for Chong Min-chu and Yi Hye-chong, delegates of the South Korean federation of university student councils under the South side headquarters of the National Alliance of Youth and Students for the country's reunification, on charges of their visit to the northern half of the country without "permission" and of their "praise and sympathy" with the north's reunification policy. The fascist group imprisoned and have persecuted the delegates for nearly half a year before demanding the penalties.

They scathingly denounced the Kim Yong-sam group's outrage as a challenge to the desire of the 70 million fellow countrymen for reunification.

The entire teachers and students of the university, together with fellow youth and students in South Korea and overseas, will condemn the crime of the Kim Yong-sam puppet clique, the fascist hangman and the enemy of reunification, and wage a more vigorous struggle for the abolition of the anti-reunification "National Security Law" and the release of the two delegates, they declared.

An appeal to the fellow youth and students in South Korea and overseas was adopted at the meeting.

It called upon all the youth and students at home and abroad to conduct vigorous struggle for the release of the delegates and stand in the van of the struggle to remove the political and physical walls in the way of national reunification.

It also called for severely punishing the anti-national, anti- reunification Kim Yong-sam regime in the name of history and the people.

DPRK: ROK Students' 29 Mar Demonstrations Reported

*SK3103045796 Pyongyang KCNA in English
0439 GMT 31 Mar 96*

[FBIS Transcribed Text] Pyongyang, March 31 (KCNA) — An estimated 10,000 students staged an anti-"government" struggle in Seoul on Friday [29 March], protesting against the traitor Kim Yong- sam's irregularities, a radio report from Seoul said.

The students held a rally, at which they contended Kim Yong-sam received a great sum of bribe and secret fund at the time of the 1992 "presidential election" and demanded the opening to public of the truth behind it.

After the rally they staged a demonstration with bunting reading "Kim Yong-sam, step down", "End to political corruptness", etc.

They also demanded the reduction of registration fee, expressing indignation at the measure to raise the fee.

The Kim Yong-sam group mobilized 5,000 police to brutally suppress the righteous action of the students and killed a student of Yonsei University, No Su-sok.

Enraged by this, 4,000 students in Seoul held a demonstration criticising the Kim Yong-sam fascist group's crime and a memorial service for him on Saturday.

The students shouted "Down with Kim Yong-sam" and "Down with the murderous regime" and marched along streets, beating drums and gongs.

Despite rain fall, they held a memorial service for No Su-sok and vowed to fight it out against the "civilian"-veiled fascist group.

DPRK: NDFSK's Pyongyang Mission Chief on ROK Students

*SK2903104096 Pyongyang KCNA in English
0958 GMT 29 Mar 96*

["Kim Yong-sam Group's Anti-Reunification Crime Under Fire" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 29 (KCNA) — Yi Chong-sang, chief of the Pyongyang mission of the National Democratic Front of South Korea (NDFSK), had an interview with KCNA on Thursday as regards the fact that the Kim Yong-sam group have demanded imprisonment for coeds Chong Min-chu and Yi Hye-chong of the South Korean Federation of University Student Councils.

The Kim Yong-sam group demanded heavy penalties for Chong and Yi, incriminating their righteous activities. This brutality can be justified with nothing and it is no more than a last-ditch effort of the traitor to the nation, Yi Chong-sang said, urging an immediate release of pro-reunification patriots.

If the Kim Yong-sam group persist in suppression of pro- reunification patriotic forces, resorting to the anti-DPRK, anti- reunification policy, which goes against the aspiration of the nation, they will face a bitterer denunciation by the nation and a stern punishment by history, he warned.

He declared that the NDFSK will always discharge its heavy duty as the vanguard in the struggle to overthrow the Kim Yong-sam fascist "government", rescue Chong and Yi, praiseworthy daughters of the nation, and other pro-reunification patriotic figures and build a reunified country.

And he called upon the world conscience to lift up voices of solidarity with the South Korean people's struggle.

DPRK: ROK Buddhist Group, Students Protest Government Actions

SK2903054696 Pyongyang KCNA in English 0343 GMT 29 Mar 96

[FBIS Transcribed Text] Pyongyang, March 29 (KCNA) — South Korea's Buddhist Committee on Human Rights reportedly released a statement on March 22 saying it is an anti-reunification, treacherous act that the authorities staged a formal trial of the dictators of the "Fifth and Sixth Republics," while demanding heavy penalties for Chong Min-chu and Yi Hye-chong, patriotic-minded students.

Students of sixteen universities in Seoul including Yonsei and Kyonghui Universities and the university of foreign studies decided to stay away from classes on March 29 and 30, demanding the securing of educational finance and the cancellation of the measure to raise registration fee.

They also agreed to hold a general meeting under the sponsorship of the Seoul District Federation of University Student Councils on March 29 to condemn the anti-educational "civilian government."

On the 27th, students met at Konkuk and Sogang campuses, accusing the puppet clique of making no sincere effort for the securing of educational finance and urging them to redirect unnecessary military expenditures to education.

Earlier, on the 26th, some 200 students of Sungsil University occupied university offices and started a sit-in in protest against registration fee hike.

Students affiliated with the South Chungchong provincial Federation of University Student Councils made a call of protest at the provincial police bureau and strongly urged an immediate release of the chairman of the federation.

DPRK: ROK Denounced for Sentencing Chong, Yi to Prison

SK3003033196 Pyongyang KCNA in English 0242 GMT 30 Mar 96

[FBIS Transcribed Text] Pyongyang, March 30 (KCNA) — The Kim Yong-sam fascist clique on Friday put on a trial Chong Min-chu and Yi Hye-chong, delegates of the South Korean Federation of University Student Councils under the South side headquarters of the National Alliance of Youth and Students for the Country's Reunification, and condemned them to three years of imprisonment and three years of disqualification, according to a radio report.

This time, too, the fascist clique charged Chong and Yi with "sympathy with and praise for the North's reunification line", as in the previous trial, and passed the atrocious sentence by invoking the notorious "National Security Law".

Fellow countrymen in the South and overseas as well as the youth and students and people in the North are now praising the delegates' visit to the northern half of the country as a patriotic deed for national reunification. And they are scathingly denouncing the fascist clique's moves to punish the delegates and strongly demanding an unconditional and immediate release of them.

Nevertheless, the traitorous Kim Yong-sam clique have passed a sentence of imprisonment on the "birds of hope for reunification."

This atrocity is an open challenge to the unanimous demand of the people within and without and clearly shows that they are unpardonable anti-reunification elements and outrageous fascists.

DPRK: CPRF Denounces ROK for Persecuting Two Students

SK0104041996 Pyongyang KCNA in English 0328 GMT 1 Apr 96

[FBIS Transcribed Text] Pyongyang, April 1 (KCNA) — The secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] issued information No. 708 on Sunday denouncing the Kim Yong-sam fascist clique of South Korea for having imposed imprisonment on students Chong Min-chu and Yi Hye-chong, "birds of hope for reunification," for their visit to Pyongyang and righteous activities for the country's reunification.

What they did to devotedly make a breakthrough in pulling down the wall of division can by no means be incriminated, the information says, and continues:

The fascist persecution of the two girls has fully revealed the heinous color of the Kim Yong-sam group, which have resorted to every conceivable means to remain in power and keep the country divided.

If the South Korean rulers think they can put down the nation's desire for reunification by throwing the girls into prison, it would be a mistake.

The imprisonment the fascist clique imposed on Chong and Yi has only hardened the fellow countrymen's will to remove such anti- reunification elements as Kim Yong-sam and reunify the country at any cost.

The Kim Yong-sam fascist clique must immediately and unconditionally release the two students, envoys of reunification, as demanded by the whole nation, and stop such anti-national criminal acts as cracking down on the fellow countrymen's movement for reunification.

DPRK Paper Blames Kim Yong-sam Group for Student's 'Murder'

SK0204044696 Pyongyang KCNA in English 0417 GMT 2 Apr 96

["NODONG SINMUN Blames Kim Yong-sam Group for Murder of No Su- sok" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 2 (KCNA) — The Kim Yong-sam group cannot evade the blame for the murder of a student, No Su-sok, in a peaceful demonstration, says NODONG SINMUN today.

In a commentary the daily charges that the Kim Yong-sam group made public the results of autopsy saying he died of "postnatal acute heart failure." This is a fabrication aimed at dodging the blame for the crime.

The daily says:

It is evident that the murderer could not properly probe the cause of the death.

The Kim Yong-sam group's trick to shake off the blame for the murder has fully revealed their truculent nature.

The latest murder has made the South Korean people confirm again that the Kim Yong-sam group are murderers who should not be left unpunished any longer.

The South Korean students and people will not allow the death of No Su-sok to have been in vain and make the murderers pay dearly for his blood.

DPRK Daily Condemns ROK for Sentencing Students

SK0104053296 Pyongyang KCNA in English 0426 GMT 1 Apr 96

["Atrocious Deed of Anti-Reunification Elements" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 1 (KCNA) — The Kim Yong-sam group on March 29 condemned coeds Chong Min-chu and Yi Hye- chong, "birds of hope for reunification," to three years of imprisonment and suspension of qualification on charges of violations of the "National Security Law."

We scathingly denounce with surging indignation this atrocity of the Kim Yong-sam puppet clique, who have put the reunification champions of the South on the altar of fascism, branding it as an intolerable challenge to us.

NODONG SINMUN today says this in a commentary.

The daily further says:

The Kim Yong-sam group have mercilessly passed those sentences on the pro-reunification patriotic students, who have been praised by the entire nation, in stead of releasing them.

Our people consider this highhandedness to be a sword brandishing against the entire fellow countrymen desirous of reunification and can never be an onlooker to it.

This fascist atrocity cannot be only a matter pertaining to the two patriotic students. In fact, it is an open declaration of confrontation to us, who are making all sincere efforts for peace and peaceful reunification of the country. We will keep tabs on this impudent act.

The Kim Yong-sam traitorous clique must ponder over the grave consequences to be entailed by their reckless deed and unconditionally set free Chong and Yi at once.

DPRK: ROK Students Strike Against Registration Fees

SK3003033596 Pyongyang KCNA in English 0237 GMT 30 Mar 96

[FBIS Transcribed Text] Pyongyang, March 30 (KCNA) — Students of Hanyang, Tanguk and 12 other universities of South Korea under the Seoul District Federation of University Student Councils (Sochongnyon) on Friday [29 March] decided to stage a campus strike at Yonsei University against the measure to raise registration fee, and immediately went over into action, a radio report said.

Their strike came while students of Sogang, Hanyang and Konguk Universities occupied university presidential offices and started an all-night sit-in.

Starting the strike, the students denounced the university sides' reckless measure to raise registration fee and strongly urged its withdrawal.

Meanwhile, an estimated 10,000 students of 40 universities under Sochongnyon held inaugural ceremonies of student councils at their respective universities and decided to stage a protest against the measure to raise registration fee.

DPRK: Foreign Party Leaders Support Korean Reunification

SK0104093896 Pyongyang KCNA in English 0809 GMT 1 Apr 96

[FBIS Transcribed Text] Pyongyang, April 1 (KCNA) — Foreign political party leaders have voiced support for the Korean people's socialist construction and their efforts to accomplish the cause of national reunification.

Paul Verges, chairman of the Reunion Communist Party, when he met with the Korean ambassador to Madagascar, said that he was happy to see the Korean people firmly defending independence, national dignity and the Korean-style socialism and working hard to achieve the reunification of the country under the tested guidance of the great leader Comrade Kim Chong-il, without wavering in the complicated international situation and bowing to the political, economic and military pressure by the imperialists. Their struggle is a great encouragement to him, he added.

Klaus Riis, chairman of the Central Committee of the Communist Party (M-L) of Denmark, when he met with the Korean ambassador, said that seeing big countries powerless before the diplomacy of Korea, he would be deeply moved by the rare wisdom, grit and outstanding stratagem of Comrade Kim Chong-il.

International reactionary forces do not dare provoke Korea mainly because it has a singlehearted unity and a powerful defence capacity, he added.

Chea Sim, chairman of the Central Committee of the People's Party of Cambodia and president of the National Assembly, when he met with a delegation of the Workers' Party of Korea, said that the People's Party, Government and National Assembly of Cambodia will always extend full support to the just struggle of the Workers' Party and People of Korea for the reunification of the country. Prim Nababsing, president of the Mauritian Militant Movement, when he met with the Korean ambassador, said that he was satisfied with the fact that the Korean people under the wise guidance of the great leader Comrade Kim Chong-il are creditably carrying forward and developing the cause of the great leader President Kim Il-song.

DPRK: Media's 'False Reports' on 'Dollar Forgery' Decried

SK0204035396 Pyongyang KCNA in English 0333 GMT 2 Apr 96

["'Dollar Forgery' Has Nothing To Do With DPRK" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 2 (KCNA) — Some media of South Korea and Japan recently broadcast false reports seriously provoking the DPRK in the wake of the arrest of a former member of the Japanese "Red Army" in Cambodia on suspicion of being involved in dollar forgery.

As soon as the incident occurred, the media, without confirming the identification of the arrested person, suggested that he was a Korean national in Japan under the influence of the General Association of Korean Residents in Japan. They also tried to connect the DPRK with the seven million forged dollars which they said he was carrying. When the arrested man identified himself as a former member of the Japanese "Red Army," the media aired unfounded reports that the DPRK forges more than ten million dollars a year and that the recent incident is connected with the DPRK, the Communist Party of the Philippines and the Japanese "Red Army."

The dollar forgery they are talking about has nothing to do with the DPRK, which is under upright and clean politics. There can be no crime relating to forged currency in the DPRK.

Such crime is possible in South Korea where irregularities and swindles hold sway.

Time will prove whether the member of the Japanese "Red Army" now under interrogation by the Thai investigation authorities is connected with dollar forgery or not. There is no ground to connect this incident with the DPRK.

As we have declared more than once, we protect the former members of the Japanese "Red Army" from a humanitarian position as they asked for asylum in the DPRK and we do not meddle with their internal affairs.

It is entirely according to their own will what they do anywhere outside the DPRK.

The former members of the Japanese "Red Army" who are in exile in the DPRK are Japanese as ever.

Therefore, we need not and cannot meddle with their affairs outside the DPRK.

The South Korean puppets desperately resort to a more vicious anti-DPRK smear campaign than before in an attempt to save their serious political crisis and impair the ever-growing international authority and prestige of the DPRK.

As soon as the incident occurred, they connected it with the DPRK and try to use it for their sinister political purpose.

It is a habitual method of the South Korean puppets to bribe pseudo-media for false propaganda about the DPRK.

They must clearly know that with no smear campaign against the DPRK can they impair the bright image of the DPRK.

The reactionary media of South Korea and Japan must have reason to distinguish right from wrong and must no longer serve such political imposters as the South Korean puppets.

DPRK: Reports of Execution of 'Rice Blackmarketeers' Denied

SK0204043296 Pyongyang KCNA in English 0327 GMT 2 Apr 96

["S. Korea Will Have to Pay Dearly for Anti-North Campaign" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 2 (KCNA) — The South Korean puppets were quoted by the Japanese YOMIURI SHIMBUN and ASAHI SHIMBUN on March 28 as saying "rice blackmarketeers and a person who attempted to defect from the North were executed in public" in the North.

Such a false report was a trite and premeditated move to intentionally get on the nerve of the North, render the situation all the more strained and impair the high international prestige of the North.

The South Korean puppets' frantic anti-North campaign is aimed at blaming the North for inter-Korean relations, which they have driven into the worst phase of confrontation since they took power, and getting more votes in the forthcoming "National Assembly Election."

The Kim Yong-sam group have been totally isolated at home and abroad for their such anti-national crimes as unheard-of fascist acts, treacheries, corruption and the driving of inter-Korean relations to the brink of war.

In a bid to evade public protest, the Kim Yong-sam group felt it necessary to further aggravate the situation through an intensified anti-North campaign and pin the blame on others.

Their anti-North campaign is also aimed at seeking a way out in a war in case they are defeated in the "election," making themselves unable to emerge from the ruling crisis.

If the puppets seek the provocation of a war in such a way as deteriorating inter-Korean relations, we cannot but take a countermeasure to crush all the provokers.

They must know clearly that there is a limit to our patience. If they persistently resort to the anti-North campaign, they will have to pay dearly for it.

YOMIURI SHIMBUN, ASAHI SHIMBUN and other media of Japan must stop serving the South Korean puppets as political waiting maid.

DPRK: Chongnyon, Other Japanese Groups Begin Visits

SK3003133696 Pyongyang KCNA in English 1104 GMT 30 Mar 96

[FBIS Transcribed Text] Pyongyang, March 30 (KCNA) — Director General of the International Institute of the Chuche Idea Shuhachi Inoue and a delegation of the Japanese Society for the Study of Kimilsongism led by member of its permanent committee Zukasa Nakahara arrived here today.

An art troupe of the International Korean Association (Unity) and an art troupe of Korean Residents in Japan to participate in the 14th April Spring Friendship Art Festival and teams and home- visiting groups of the General Association of Korean Residents in Japan (Chongnyon) arrived here.

DPRK: Japan Publishes Journal 'Study of Kimilsongism'

SK3003134596 Pyongyang KCNA in English 0923 GMT 30 Mar 96

[FBIS Transcribed Text] Pyongyang, March 30 (KCNA) — The Japan Society for the Study of Kimilsongism published its journal "Study of Kimilsongism" No. 76.

The journal carries the full text of the Great Leader Comrade Kim Chong-il's famous work "The Workers' Party of Korea Is the Party of the Great Leader Comrade Kim Il-song" and an article explaining his works.

Also carried in it is chapter two of the book "Revolutionary History of the Dear Leader Comrade Kim Chong-il".

It edits articles headlined "Okinawa, Study and Dissemination of the Chuche Idea, Expressing Solidarity With korea" and "Postwar System of Japan and Establishment of Independence."

DPRK: Japanese Politicians Cited on Normalization of Ties

SK0204085996 Pyongyang KCNA in English 0838 GMT 2 Apr 96

[FBIS Transcribed Text] Pyongyang, April 2 (KCNA) — Japanese political figures issued statements to the press on the occasion of the first anniversary of the signing of an agreement on resumption of the DPRK-Japan talks, according to the March 28th issue of CHOSON SIBO.

Taku Yamasaki, chairman of the Political Affairs Research Council of the Liberal Democratic Party, said that he would conduct activities for early normalization of diplomatic relations between Japan and the DPRK on the occasion of the first anniversary of the North Korea visit of the delegation of the three ruling coalition parties of Japan.

Keiko Chiba, deputy leader and director of international affairs of the Social-Democratic Party, said that although one year has passed since the agreement was signed, there was no progress in the work for the resumption of the Japan-DPRK talks. The director hoped the talks would resume as early as possible in the spirit of the agreement.

Yukio Hatoyama, senior secretary of the New Party Sakigake, said it is to be regretted that the atmosphere for dialogue between the two countries was arranged with much efforts, but there has been no progress as yet. He hoped that the antagonism and fence between Japan and the DPRK would be removed at an early date.

He said he would make all his efforts for the normalization of diplomatic relations between the two countries.

DPRK: Kim Chong-il Sends Wreath to Japanese Kanemaru's Bier

SK3003043796 Pyongyang KCNA in English 0405 GMT 30 Mar 96

[FBIS Transcribed Text] Pyongyang, March 30 (KCNA) — The great leader Comrade Kim Chong-il sent a wreath in deep regret over the death of Mr. Shin Kanemaru of Japan.

The wreath was laid before the bier of the deceased on Friday.

DPRK: Family of Japan's Shin Kanemaru Thanks Kim Chong-il

SK3103045096 Pyongyang KCNA in English 0445 GMT 31 Mar 96

[FBIS Transcribed Text] Pyongyang, March 31 (KCNA) — The family of the late Shin Kanemaru of Japan expressed deep thanks to the great leader Comrade Kim Chong-il for having sent a message and wreath in deep regret over his death.

Comrade Kim Chong-il's message of condolence and wreath were conveyed on Friday by Ho Chong-man, chief vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan, who called at the residence of the deceased.

Present there were Yasunobu Kanemaru and Shingo Kanemaru, sons of the deceased, and former Prime Minister of Japan Noboru Takeshita.

The bereaved family members said they express wholehearted thanks to his excellency the respected Kim Chong-il for having sent a message of condolence as well as a wreath in mourning over the dead.

They also said Kanemaru in his lifetime had always recalled with emotion the solicitude shown by his excellency the great President Kim Il-song and earnestly hoped for an audience of His Excellency Kim Chong-il.

They declared that though he died they will, true to his intention, work hard to realize the normalization of Japan-DPRK diplomatic relations at an early date.

They asked Ho Chong-man to convey their heartfelt thanks to his excellency the respected Kim Chong-il.

The wreath sent by Comrade Kim Chong-il was placed in the centre of the funeral hall.

DPRK: PRC Institute Delegation Arrives in Pyongyang

SK0104062196 Pyongyang Korean Central Broadcasting Network in Korean 0100 GMT 27 Mar 96

[FBIS Translated Text] The delegation of the China Youth Political Institute headed by its Vice President (Zhu Xiguang) arrived in Pyongyang by plane on 26 March. Cho Kyong-ho, vice director of Kumsong University of Politics, welcomed the delegation at the airport.

DPRK Vice President Yi Chong-ok Meets French Delegation

SK2903104996 Pyongyang KCNA in English 1010 GMT 29 Mar 96

[FBIS Transcribed Text] Pyongyang, March 29 (KCNA) — Vice-President Yi Chong-ok met and had a talk with the French delegation led by General Jeannou Lacaze, president of the Union of Independentists of France and chairman of the Association for the Promotion of Relations Between Europe and the DPRK who is former chief of general staff of the French Armed Forces, at the Mansudae Assembly Hall today.

DPRK: Kim Chong-il Receives Gift From French Delegation

SK3103051296 Pyongyang KCNA in English 0502 GMT 31 Mar 96

[FBIS Transcribed Text] Pyongyang, March 31 (KCNA) — The great leader Comrade Kim Chong-il received a gift from the French delegation.

The gift was handed to an official concerned by head of the delegation General Jeannou Lacaze [spelling of name as received], president of the Union of Independentists of France and chairman of the Association for the Promotion of Relations Between Europe and the DPRK who is former chief of General Staff of the French Armed Forces, during its visit to Korea.

DPRK: French Delegation Ends Visit, Leaves Pyongyang

SK3003134696 Pyongyang KCNA in English 1005 GMT 30 Mar 96

[FBIS Transcribed Text] Pyongyang, March 30 (KCNA) — The French delegation led by General Jeannou Lacaze, president of the Union of Independentists of France and chairman of the Association for the Promotion of Relations between Europe and the DPRK who is former chief of General Staff of the French Armed Forces, left here today for home, after winding up its five-day Korea visit.

During its stay, the delegation visited Mangyongdae, the Tower of the Chuche Idea, the Monument to the Party Foundation, Pyongyang Metro and other places.

DPRK: Greetings Sent to Senegal Socialist Party Congress

SK3003134896 Pyongyang KCNA in English 0945 GMT 30 Mar 96

[FBIS Transcribed Text] Pyongyang, March 30 (KCNA) — The Workers' Party of Korea Central Committee today sent a message of greetings to the 13th Congress of the Senegalese Socialist Party.

We believe that the current congress will mark an important occasion in strengthening and developing the party and its struggle for the national unity and prosperity of the country, the message said.

It wished the congress great success and expressed the belief that the friendly and cooperative relations between the two countries and two parties would further develop in accordance with the common desire of independence, peace and friendship.

DPRK: Telecommunications, Infrastructure Working Groups Meet

SK2903053896 Pyongyang KCNA in English 0448 GMT 29 Mar 96

[FBIS Transcribed Text] Pyongyang, March 29 (KCNA) — A Sonbong joint meeting of telecommunications working group and infrastructure working group, sponsored by the United Nations Development Programme [UNDP], was held in Najin-Sonbong city, the free economic and trade zone of the DPRK, over March 27-28.

Attending the meeting were delegates from countries and regions interested in the development of the Najin-Sonbong free economic and trade zone, and representatives of the UNDP.

Telecommunication experts from Thailand were present as observer.

The meeting dealt with technical matters arising in building telecommunications and infrastructure and transit cargo transport in the Tuman River area.

There delegates shared the view that it is impossible for Northeast Asian nations to have satisfactory exchange and cooperation in transport of freight, tourism, production of goods and other domains with the Tuman River area as the base, unless rational telecommunications and infrastructure networks are built.

They reached an agreement in principle that the countries sharing the Tuman River organize a workshop of operating telecommunications in order to build an uptodate telecommunication network in this area.

They were also informed of, and fully exchanged views on, the present situation of infrastructure in the zone and matters arising in using it.

They held that the existing ports, railways and roads in the zone should be used for transit transport and, gradually, be reconstructed on an expansion basis, which will be greatly helpful to the development of the area.

The delegates paid deep attention to the fact that transport of freight to different countries and regions including those in Asia and Europe through this area is much beneficial economically because of shortened distance and time.

Operation of an international tourist train between Najin and China's Yanji and other issues were proposed at the meeting.

The participants in the meeting inspected Najin port and other facilities in the zone.

DPRK: Thai Firm Plans To Invest in Najin-Sonbong Telecom

SK3003043996 Pyongyang KCNA in English
0410 GMT 30 Mar 96

[FBIS Transcribed Text] Pyongyang, March 30 (KCNA) — Loxley Public Company, Ltd. of Thailand will invest in telecommunications of the Najin-Sonbong free economic and trade zone.

Vice-president of the company Ronald James held an interview with KCNA on Friday.

According to him, the company has planned to make an investment of 28 million dollars at first and 650 million dollars in the future in keeping with an increase in demand.

It will deliver telecommunication equipment in the period from the late second quarter to the third quarter of this year, he said.

He added they are willing to set up an equity joint venture in telecommunications.

Najin-Sonbong in which all foundations have been laid and which is favourable in natural and geographical aspects, should be a centre of telecommunications in the Tumen River area, Ronald James said.

DPRK: Poetry Reading Held in Seoul Honors Kim Chong-il

SK2803115896 Pyongyang KCNA in English
0939 GMT 28 Mar 96

[FBIS Transcribed Text] Pyongyang, March 28 (KCNA) — Members of the February [illegible] Fellowship Society active in Mapo District highly praised the Great Leader Comrade Kim Chong-il at an "Evening of Poetry" sponsored recently by the society, the Seoul-based radio Voice of National Salvation reported, quoting the information from the Seoul City Committee of the National Democratic Front of South Korea.

Chon Chol-su, a member of the society, said after reciting "Ode to the Bright Star" composed by the Great Leader President Kim Il- song on the 50th birthday of Comrade Kim Chong-il:

This ode is a song in praise of the greatest of great men of the world.

Appreciating the ode, I have keenly felt traits of the leader Kim Chong-il as a great man and the immortal exploits performed by him in human history.

As President Kim Il-song wrote in the ode, the echo of jubilation and eulogy by all peoples is an expression of happiness and glory of the Korean people, who hold the leader Kim Chong-il in high esteem as the sun of the nation, and of the world people, who have the great man of the century peerless in human history in the centre of the present times.

Indeed, the leader Kim Chong-il is a peerless great man who is fully possessed of natural disposition as a great man on the nighest level.

Repeatedly reciting the ode, other members said it is a very precious wealth of the nation and country as well as a treasure of human culture. And they expressed their will to devote themselves heart and soul to creating poems in praise of the leader Kim Chong-il, the information said.

DPRK: Peru Awards Honorary Title to Kim Chong-il

SK2903025896 Pyongyang KCNA in English
0234 GMT 29 Mar 96

[FBIS Transcribed Text] Pyongyang, March 29 (KCNA) — The title of honorary professor of Huacho National University of Peru was awarded to the great leader Comrade Kim Chong-il on the occasion of April 15.

A ceremony of awarding the title was held at the university on March 21.

Present there were the president, vice-presidents, faculty deans and professors of the university.

A decision of the university council on awarding the title of honorary professor to Comrade Kim Chong-il was read out at the ceremony.

The president of the university handed the decision, a diploma and a medal of honorary professor to Yi Chi-su, president of the Chuche Idea Academy who was heading the academy delegation on a visit to Peru.

DPRK: Kim Chong-il Thanks Public Security Officers

SK3003033296 Pyongyang KCNA in English
0239 GMT 30 Mar 96

[FBIS Transcribed Text] Pyongyang, March 30 (KCNA) — The great leader Comrade Kim Chong-il sent thanks to young public security officers and servicemen of the Korean People's Security Forces, officials of different units and working people for contributing to preserving the statue of the great leader President Kim Il-song and historical revolutionary sites.

He also sent thanks to art circle members and members of the Political Department of the Pyongyang Municipal Security Bureau for conducting art agitation work for the propaganda of the greatness of the party and the leader and for the implementation of party's policies.

DPRK: Anniversary of Kim Chong-il Chuche Work Celebrated

SK3103051196 Pyongyang KCNA in English 0457 GMT 31 Mar 96

["Anniversary of Publication of Comrade Kim Chong-il's Work Observed" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 31 (KCNA) — NODONG SINMUN today dedicates a signed article to the 14th anniversary of the publication of the great leader Comrade Kim Chong-il's famous work "On the Chuche Idea" (March 31, 1982).

The article entitled "Important Work Symbolic of Greatness of Respected General Kim Chong-il" says:

The work is a result of Comrade Kim Chong-il's intense loyalty to the great leader President Kim Il-song, the supreme representative of revolutionary forerunners, as well as his extraordinary ideo- theoretical wisdom, profound philosophy and inexhaustible passion.

"On the Chuche Idea" is a monumental document of the time which symbolizes the greatness of Comrade Kim Chong-il.

Comrade Kim Chong-il, who had long before formulated the president's revolutionary ideology as an integral system of the chuche idea, theory and method, expounded in the work the philosophical principle, the socio-historical principles and the guiding principles of the chuche idea with scientific theories to perfectly prove his formulation.

The document clearly explains that the chuche idea is a result of the president's profound, diverse ideo-theoretical activities and that his revolutionary history is that of a prominent thinker- theoretician who founded the chuche idea and completed it into a unique system of idea and theory.

This reflects Comrade Kim Chong-il's noble loyal heart to exalt the chuche idea as the guiding idea of the Kim Il-song era and uphold the president as the sun of chuche.

The philosophical principle of the chuche idea is evolved on the basis of the president's teaching that man is the master of everything and decides everything. The guiding principles of this idea are evolved in such a way as to prove the validity and vitality of the principles laid down by the president — chuche in ideology, independence in politics, self-sufficiency in the economy and self- reliance in national defence.

As Comrade Kim Chong-il scientifically explained that man is a social being with independence, creativity and consciousness, the longstanding question of history about the nature of a social being could be solved.

The work gives a full exposition of the chuche-oriented philosophical world outlook and socio-historical outlook on the basis of the scientific explanation of man.

As is set out in the work, the philosophical world outlook of chuche illumines the principle that man is the master of everything and decides everything. It also establishes a chuche viewpoint and attitude of regarding the world with man placed in the centre. The main idea of the chuche socio-historical outlook is based on the principle that the masses of the people are the makers of history, the socio-historical movement is an independent, creative movement of the masses and the independent ideology of the masses plays a decisive role in the revolutionary struggle.

In the work, Comrade Kim Chong-il clearly indicated the guiding principles of the chuche idea to implement the chuche philosophy in political practice, the activities of the party and the state. The principles call for maintaining an independent stand, applying a creative method and laying stress on ideology.

The work is a valuable asset which illumines the philosophical foundation of the line and policy of our party in the revolution and construction and reflects the political philosophy of Comrade Kim Chong-il.

DPRK: Kim Chong-il Thanks Units, Working People

SK0104034096 Pyongyang KCNA in English 0321 GMT 1 Apr 96

[FBIS Transcribed Text] Pyongyang, April 1 (KCNA) — The great leader Comrade Kim Chong-il extended thanks to the University of Printing Industry and the Kumman Joint Venture Printing House for the contribution they made to the excellent background of the mass gymnastic display "We Will Defend the Red Flag, Following the General" performed in last February, with intense loyalty to the Workers' Party of Korea [WPK] and the leader.

He also sent thanks to all the workers, technicians and office workers of the Hydro Power Station Construction Company No. 2, who had creditably fulfilled their duties over the past forty years under the leadership of the WPK.

DPRK: Peruvian University Awards Kim Il-song Honorary Title

SK2903043596 Pyongyang KCNA in English 0323 GMT 29 Mar 96

[FBIS Transcribed Text] Pyongyang, March 29 (KCNA) — The title of honorary professor of Huacho National University of Peru was awarded to the great leader President Kim Il-song on his birth anniversary.

A ceremony of awarding the title was held at the university on March 21.

Present there was Yi Chi-su, president of the Chuche Idea Academy who was heading the academy delegation on a visit to Peru.

A decision of the university council on awarding the title of honorary professor to President Kim Il-song was read out at the ceremony.

The president of the university conveyed the decision, a diploma and a medal of honorary professor to Yi Chi-su.

DPRK: Foreign Guests Pay Homage to Kim Il-song

SK2903054296 Pyongyang KCNA in English 0456 GMT 29 Mar 96

[FBIS Transcribed Text] Pyongyang, March 29 (KCNA) — A Japan-Korea friendship delegation of assemblymen from various parties in Aichi Prefecture led by Noriyuki Takahashi, vice-chairman of the Aichi Prefectural Office of the Liberal Democratic Party, and other foreign guests and Mr. Yun I-sang's family visited the Kumsusan Memorial Palace and paid homage to the great leader President Kim Il-song, who is preserved in state, on Thursday.

DPRK: Foreign Visitors Lay Baskets at Kim Il-song Statue

SK3103050096 Pyongyang KCNA in English 0440 GMT 31 Mar 96

[FBIS Transcribed Text] Pyongyang, March 31 (KCNA) — Director General of the International Institute of the Chuche Idea Shuhachi Inoue and a delegation of the Japanese Society for the Study of Kimilsongism led by member of its Permanent Committee Tsukasa Nakahara on Saturday [30 March] laid floral baskets and made bows before the statue of the great leader President Kim Il-song on Mansu Hill.

DPRK: Overseas Compatriots Visit Statue of Kim Il-song

SK3103050296 Pyongyang KCNA in English 0441 GMT 31 Mar 96

[FBIS Transcribed Text] Pyongyang, March 31 (KCNA) — A sports team of Koreans in Japan led by Paek Chong-won, chairman of the Korean Physical Culture and Sports Federation in Japan, an art troupe of Koreans in Japan and an art troupe of the International Korean Association (Unity) called at the statue of the great leader President Kim Il-song on Mansu Hill Saturday [30 March].

They laid bouquets of flowers and made bows before the statue.

DPRK Daily Urges Study of Kim Il-song's History

SK0104103796 Pyongyang KCNA in English 1023 GMT 1 Apr 96

["NODONG SINMUN Calls For Deep Study of Revolutionary History of President Kim Il-song" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 1 (KCNA) — NODONG SINMUN today carries an editorial entitled "Let Us Deeply Study the Glorious and Brilliant Revolutionary History of the Great Leader Comrade Kim Il-song" on the occasion of his 84th birth anniversary (April 15).

The editorial calls upon the entire party members and working people to deeply grasp the glorious and brilliant revolutionary history of Comrade Kim Il-song and thus fully display their sense of obligation to him and further cement the relations of him and the people in perfect harmony.

It says:

The way of holding Comrade Kim Il-song in high esteem for all ages and demonstrating the honor and dignity of the Kim Il-song nation is to deeply study his revolutionary history, which will shine forever along with April 15 and follow it through generations to come.

Deeply studying his revolutionary history is a worthwhile work for our people to carry on revolution and construction always in the way he did, with loyalty to the leadership of the respected General Kim Chong-il.

It is the steadfast determination of Comrade Kim Chong-il to carry forward the glorious and brilliant revolutionary history of Comrade Kim Il-song.

The revolutionary history of Comrade Kim Il-song is a treasure of the Kim Il-song nation as well as a wealth of the world's progressives.

His revolutionary history marked the culmination of the human life that can be led only by a great revolutionary, a great man.

It gives a precious guideline which we revolutionaries of chuche type should take as the maxim of their life and struggle.

If we are to uplift the honor and dignity as revolutionary, we should deeply grasp the revolutionary history of Comrade Kim Il- song, and if we are to lead a worthwhile life as human being, it is also necessary to have a good understanding of his revolutionary history.

We should as ever make a deep study of the revolutionary history of Comrade Kim Il-song, mindful that it is a matter of stand and attitude towards him, who is the supreme representative of the revolutionary forerunners, as well as an important matter related to the prospect of the Korean revolution.

DPRK: Pak Song-chol Attends Yun I-sang Memorial Concert

SK2903043696 Pyongyang KCNA in English 0325 GMT 29 Mar 96

[FBIS Transcribed Text] Pyongyang, March 29 (KCNA) — A concert opened here on Thursday to honor the memory of Yun I-sang.

Yun I-sang was chairman of the overseas headquarters of the National Alliance for the Country's Reunification and a talented composer of the nation, and passed away last year.

Present at the concert were Pak Song-chol, Politburo member of the C.C. [Central Committee] , the Workers' Party of Korea and vice- president of the DPRK, officials concerned, and artistes and working people in the city.

Invited to it were Yun I-sang's family and overseas compatriots staying in the socialist homeland.

A symphonic poem "Kwangju, be everlasting" and other works of Yun were played at the concert.

The concert will continue until April 1.

DPRK: Paek In-chun Attends Yun I-sang Memorial Symposium

SK3003043896 Pyongyang KCNA in English 0407 GMT 30 Mar 96

[FBIS Transcribed Text] Pyongyang, March 30 (KCNA) — A musical symposium was held here on Friday to honor the memory of Yun I-sang.

Present at the symposium were Paek In-chun, chairman of the C.C. [Central Committee], the General Federation of the Unions of Literature and Arts of Korea who is chairman of the North side headquarters of the National Alliance for the Country's Reunification, other officials concerned, musicians and other artistes in the city.

Yun I-sang's family members were invited to it.

Read at the symposium were papers on career and musical activities of composer Yun I-sang, who made a contribution to national reunification and the development of modern music.

Recalling that Yun created more than 100 musical works such as orchestra, chamber music and cantata, the speakers said he as a Korean exerted all his energies to maintain the national character in creating music, with warm love for the country and the nation and valuing the history, culture and customs of Korea.

DPRK: Beginning of New School Year Detailed

SK0104103396 Pyongyang KCNA in English 1012 GMT 1 Apr 96

[FBIS Transcribed Text] Pyongyang, April 1 (KCNA) — New school year has begun in Korea.

Over 10,000 schools of all levels opened today, fully ready to ensure education and extracurricular activities of pupils and students.

All the universities for training teachers organized teaching preparation exhibitions and briskly applied achievements and experiences in education and scientific research to the contents of education.

Universities and colleges have developed modern educational facilities and scientific experimental apparatuses to lay firmer material and technical foundations.

Primary schools and senior middle schools are fully prepared to train pupils and students into able men who are knowledgeable, virtuous and healthy.

A great number of reference books for study and side reading books have been published.

Setting it as the most important task of the cultural revolution to make the whole society intellectual, the country has always directed great effort to education.

Education in Korea is ensured by the universal free education system.

Children and students study free of charge at all educational organs from kindergarten to university as well as all forms of social and adult education.

Students of universities and colleges get scholarships from the state.

DPRK Talk Urges Implementation of Rural Theses

SK0104144996 Pyongyang Korean Central Broadcasting Network in Korean 2245 GMT 27 Mar 96

[Serial program "Let Us Thoroughly Arm Ourselves With the Great Leader Comrade Kim Il-song's Revolutionary Ideas": "Our Party's Rural Theses Are the Banner of Struggle To Achieve the Complete Victory of Socialism"]

[FBIS Translated Text] On 24 February 1994, the great leader Comrade Kim Il-song sent to the National Agricultural Conference a letter entitled "For the Ultimate Solution of the Rural Question Under the Banner of the Socialist Rural Theses." In the letter, he elucidated that our party's rural theses are absolutely correct guidelines to the solution of the socialist rural question as well as the banner of struggle to achieve the complete victory of socialism.

The great leader Comrade Kim Il-song taught: Our party's rural theses are an absolutely correct guideline to the solution of the socialist rural question as well as the banner of struggle to safeguard the socialist principles in rural communities and to achieve the complete victory of socialism.

Achieving the complete victory of socialism is a historic task to be carried out in the period of transition from capitalism to socialism.

The fundamental question in achieving the complete victory of socialism is eliminating the distinctions between the classes and realizing a classless society by reforming the relations between man and a society in conformity with the working-class pattern.

The victory of the socialist revolution is an important turn in the working class' struggle for realizing a classless society. By getting rid of the exploiting class by the means of the socialist revolution, we can dump the class confrontation and leave only the working class and the farmers remain in a socialist society. Accordingly, the question of stamping out the class in a socialist society is the question of eliminating the class differences between the working class and the farmers by resolving the rural questions. Only when this question is solved, can the fundamental question in achieving the complete victory of socialism be settled.

The socialist rural theses expounded by the great leader Comrade Kim Il-song are an immortal banner of revolution which eliminate the class distinctions between the working class and the farmers and realizes a classless society, thus achieving the complete victory of socialism.

The rural theses have, above all, set forth the idea on actively waging the three revolutions—ideological, technical, and cultural— in the countryside. By doing so, they have elucidated a clear road for eliminating the class distinction between the working class and the farmers.

The completion of the socialist agriculture cooperation is a historic turn in resolving the rural question, but it does not immediately mean the ultimate solution of the rural question. Because of the ideological, cultural, and technical backwardness which is a vestige of the old society, the differences between urban and rural communities and between the working class and the farmers remain even after the agriculture has been cooperativized along socialist lines. In order to eliminate the class distinction, the three revolutions—ideological, technical, and cultural—must be powerfully pushed ahead.

The rural theses expounded that actively waging the three revolutions—ideological, technical, and cultural—is one of the basic principles for solving the socialist rural problems, as well as a basic task for the socialist rural construction. The ideological revolution in rural communities is a work to eliminate the outmoded notions among the farmers, to train them into revolutionaries, to assimilate them to the working class, and to model them on socialism and the chuche idea.

When the ideological revolution is strengthened, the agricultural workers can firmly arm with the chuche revolutionary view, endlessly be loyal to the party and the revolution, and dedicate themselves to society and the collective under the slogan "One for all, all for one."

The cultural revolution in rural communities is a work to raise the technical and cultural levels of agricultural working people to the level of the working class. It is also a work to establish the culture of production and life in rural communities. When the ideological and cultural revolutions are actively waged in the countryside, the level of farmers' ideological consciousness as well as their cultural and technical levels can be promoted to the level of the working class, thereby assimilating them to the working class. In addition, the difference in the conditions for the cultural life between urban and rural communities, and between the working class and the farmers can be reduced.

The technical revolution in the countryside is a work to industrialize and modernize agriculture. Industrializing and modernizing agriculture mean turning the rural economy into a modern technical process by realizing irrigation, electrification, mechanization and an extensive use of chemical means in the countryside. If agriculture is industrialized and modernized, the rural economy can be developed into the large-scale economy based on modern technology, the difference between farm work and industrial work and the class distinction between the working class and the farmers can be eliminated.

This shows that when we vigorously carry out the three revolutions—ideological, technological, and cultural—in the rural area as set forth in the theses, we can eliminate the class difference between the working class and farmers, which is the basic problem in achieving the complete victory of socialism.

Today our people have attained a decisive victory in the struggle to implement the rural theses under the wise leadership of the great leader Comrade Kim Chong-il, and the socialist rural construction of our country have entered a new stage of development.

Because our people vigorously waged the ideological, technological, and cultural revolutions in the rural area and attained an epochal success in this area, they have reached a high peak envisaging the building of the socialist rural area and the ultimate solution to the rural problem.

The rural theses, which proclaimed the idea on strengthening assistance to the rural area and the task and method of realizing them, clearly set forth the way to eliminate the gap between the urban and rural areas and the class gap between the working class and farmers.

The guidance of the working class to farmers, the assistance of industry to agriculture, and the support of the urban area to the rural area, is one of the basic principles set forth by the rural theses for the solution of the rural problem.

Under socialism, support for the rural area should be strengthened in all aspects to more vigorously accelerate the revolution and working-class process of the agricultural working people, to successfully realize the industrialization and modernization of agriculture, and to continuously enhance the farmers' material and cultural life. This ultimately leads to the realization of a classless society by eliminating the gap between the urban and rural areas and the class gap between the working class and farmers.

The rural theses also proclaimed the idea of converting the cooperative ownership to the all-people ownership and the task and method to realize it, thus clearly setting forth the way to realize a classless society.

In a socialist society, the class gap between the working class and farmers results, importantly, from the difference in socialization of the production means. Therefore, to eliminate the class gap between the working class and the farmers, we should not only wage the ideological, technological, and cultural revolutions vigorously in the rural area but combine the cooperative ownership and the all-people ownership organically and establish the monolithic domination of the all-people ownership.

To do this, the direct production-wise linkage between the two ownerships should be strengthened. The strengthening of the direct production-wise linkage between the two ownerships can enable us to strengthen the political and ideological influence of the working class on farmers, to have the modern material and technological means of industry better serve for the development of the rural economy, and to strengthen the support of the urban area to the rural area.

The rural theses also set forth the idea on improving the guidance for and the management of the agricultural cooperative economy and the task and method for its realization, thus clearly elucidating the way to convert the cooperative ownership to the all- people ownership.

The cooperative economy is a large-scale socialist economy equipped with modern technology. As the managerial scale of agriculture is increasing tremendously and its technology and equipment are nearing the level of industry, the guidance for and management of the rural economy should come more and more closer to the enterprise management method of industry.

To continuously make the managerial and operational method of the rural economy closer to the advanced enterprise management method of industry—this is the basic direction for improving the guidance and management of the socialist rural economy set forth in the rural theses. When we apply the enterprise management to the managerial and operational method of the rural economy, we can enhance socialization of the cooperative ownership, thereby facilitating the process of converting the cooperative ownership to the all-people ownership, and eliminate the class gap between the working class and the farmers.

This means that the great rural theses are the immortal banner which elucidates the way to the complete victory of socialism by eliminating the gap between the urban and rural areas and the class gap between the working class and the farmers.

Our people should more deeply study and master the ideas and theories set forth in the party's rural theses—the banner of struggle to realize the ultimate solution to the socialist rural area and the complete victory of socialism—and the ideas and theories set forth in the historic letter which the great leader sent to the national agricultural meeting so as to fulfill the socialist cause.

DPRK Paper Urges 'Vigorous Effort' To Achieve Unity

SK2803121796 Pyongyang KCNA in English 0952 GMT 28 Mar 96

["NODONG SINMUN Calls for Dynamic Effort for Great National Unity" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 28 (KCNA) — NODONG SINMUN today runs an article calling for a vigorous effort to achieve the great unity of the whole nation.

The author of the article says:

The grave situation on the Korean Peninsula caused by the reckless new war preparations on the part of the U.S. military and the bellicose Kim Yong-sam group urgently requires that all the Koreans in the north, South and overseas unite and fight to overcome the difficulties standing in the way of peace and peaceful reunification of the country.

For great national unity, all the Koreans must pool their mind and strength and collaborate with one another.

All the political parties, organisations and people in the North, South and overseas must unite under the 10-point programme of the great unity of the whole nation and wage a nationwide struggle to make 1996 "a year of peace and great national unity."

To this end, the legal and institutional mechanisms opposed to national reconciliation, unity and reunification must be abolished in South Korea.

With the anti-national, anti-reunification fascist "National Security Law" left intact, our nation can never achieve reconciliation, unity and reunification.

All the Koreans must join in the nationwide struggle to overthrow the vicious anti-national, anti-reunification fascist repressive regime of South Korea and courageously fight for the release of the guiltless pro-reunification patriots. By doing so, they must open a new turning point for great national unity so that they can live in harmony and unity as fellow countrymen.

DPRK: Chuche Idea Called Glory of Korean Revolution

SK0104042996 Pyongyang KCNA in English 0318 GMT 1 Apr 96

[FBIS Transcribed Text] Pyongyang, April 1 (KCNA) — Our revolutionary cause is vigorously advancing along the road of independence without wavering in any grim storm of history and our people are making a great progress with revolutionary zeal and firm confidence in tomorrow when they will prosper forever in the embrace of the great leader. Because the chuche idea indicates the future road of our revolution and leads the struggle of our people to victory and glory.

MINJU CHOSON March 31 says this in a signed article captioned "Chuche Idea, Banner of Victory and Glory of Korean Revolution."

The article further says:

The chuche idea is the banner of victory and glory of our revolution because it illumines in a scientific way the final purpose of the revolution and basic ways of realising it.

It gives a flawless exposition of the lawful way of building socialism and communism and basic criterion and appearance of communist society. It, therefore, defines it as the general task of our revolution to build communist society where independence of the popular masses is fully realised.

It expounds that for the successful building of communist society it is necessary to step up remoulding of man, transformation of society and nature remaking, capture the ideological and material fortresses of communism and, to this end, push ahead with three revolutions, ideological, technical and cultural.

It is the banner of victory and glory of our revolution because it makes it possible to firmly maintain the chuche-based stand.

Now that the revolutionary movement is conducted in various forms with a nation and state as the unit, the idea indicates a unique way for the people of each country to discharge the responsibility and play the role as masters of the revolution in their own country, mindful that they are the masters.

The chuche idea is the banner of victory and glory of our revolution because it also makes it possible to strengthen the driving force of the revolution and enhance its role to the maximum.

It gives a new elucidation of the position and role of the popular masses in the revolution and construction as well as gives the correctest answers to the questions of giving priority to ideological work and firmly arming the popular masses with socialist ideology and further raising the militant function and role of the party and establishing the method of guidance over the masses so as to indicate the strategical and tactical ways of strengthening the driving force of the revolution and enhancing its role in every way.

South Korea

ROK: Richard Armitage Said To Visit DPRK 'Late in April'

SK0204070496 Seoul THE KOREA TIMES in English 2 Apr 96 p 2

[FBIS Transcribed Text] TOKYO (YONHAP) — Former U.S. assistant secretary of defense Richard Armitage is visiting Pyongyang late in April at the invitation of North Korea, the KYODO News Service reported in a Washington dispatch Saturday.

Quoting a diplomatic source, the report said that North Korea is intensifying contact with the United States. As an example, the seclusive Stalinist country has agreed in principle to negotiate with Washington on the issue of missile proliferation.

Pyongyang appears to have extended the invitation to Armitage, a senior civil servant of the Republican administration of president Ronald Reagan, in a bid to strengthen ties with the Republican party with the U.S. presidential election in November several months away, the dispatch said.

It is unclear if Armitage will meet with North Korean leader Kim Chong-il, the source was quoted as saying.

Assistant secretary of defense for international security from 1983-1989, Armitage is said to have an influence over the U.S. Asian policy.

ROK: U.S. 'Virtually' Lifts Additional Export Embargo on DPRK

SK3103032796 Seoul MUNHWA ILBO in Korean 29 Mar 96 p 2

[YONHAP from Washington]

[FBIS Translated Text] The U.S. Commerce Department has announced a new regulation that drastically simplifies the restrictions on exports; with the items included in this regulation the additional export embargo against North Korea is virtually lifted. The Commerce Department's Export Management Office (BXA) [expansion not given] said that, in accordance with the commerce secretary's promise to make an "overall reexamination" of the current regulations on restricting exports, the office has prepared the new regulation as a temporary measure, which will take effect on 24 April (part of the regulation will come into effect on 25 March).

The new regulation stipulates "one shall be able to export without a license when all pertinent conditions are met," and explains "temporary exports" by media; private baggage, including cars and home furniture; and planes and barges, which are used as fishing boats under the control of the International Fisheries Treaty, are included in this category [sentence as published].

ROK-U.S.-Japan Consultation for Missile Issue Suggested

SK0204123596 Seoul SEOUL SINMUN in Korean 2 Apr 96 p 3

[Editorial: "We Should Cope With the North Korean-U.S. Missile Negotiation"]

[FBIS Translated Text] We hear that the North Korean-U.S. missile talks will be held in Berlin on 19 April. The talks are reportedly part of the follow-up measures for the North Korean-U.S. Geneva nuclear agreement and are aimed at restricting North Korea's missile exports to the Middle East.

The United States persuaded North Korea to come to the talks with a view to controlling the North Korean missile exports. Since this is in line with the "policy of participation" in North Korean issues the ROK and the United States are jointly pushing ahead, we should not feel victimized by the fact that the ROK is not participating in the talks. Nevertheless, there are a few things we should call attention to in connection with the North Korean-U.S. missile negotiation.

Above all, the control over the North Korean missiles is directly related to the arms reduction issue on the Korean peninsula and is directly connected with the ROK's security. In particular, North Korean missiles pose an actual threat to the ROK. In a way, the ROK feels more threatened by the North Korean missiles than by their nuclear weapons.

Although the North Korean-U.S. talks were originally supposed to deal with the control of missile exports, it is very likely that they will deal with the technological development issue as well. In fact, the talks would lose much significance if they were not to deal with the technological development control issue. The North Korean missile issue, whether it is concerned with exports or technological development, is closely connected to the ROK's security.

Therefore, an effective device ought to be provided in one way or another to ensure the ROK's position and security interests. Our government will put forth countermeasures when the United States presents its final detailed plan regarding the issues it will discuss with the North Korean side in the negotiations. However, this position could lead to a timing problem. It has been learned that the government is planning to establish a discussion channel with the U.S. State Department's Political and Military Bureau, a department in charge of the talks, through the ROK Embassy in Washington or by dispatching a separate delegation to Washington to hold discussions with the U.S. side. However, this might not be sufficient.

Since the North Korean missile issue concerns not only the United States but Japan as well, the government ought to consider forming a three-way consultation system between the ROK, the United States, and Japan.

ROK Editorial Urges Pyongyang To Accept Inter-Korean Dialogue

SK3003003196 (Internet) The Digital Chosun Ilbo WWW in English 1216 GMT 29 Mar 96

[Editorial: "North Should Be More Frank"]

[FBIS Transcribed Text] Will North-South talks happen again? If North wants to continue talks they should approach us more frankly. Meeting in a third country just for the sake of obtaining rice is not the proper way to conduct talks. Last year we gave a large amount of rice to North Korea out of brotherly love in the hope that this would lead to sincere talks. This was done without checking the official status of Chon Kum-chol or inquiring into the reality of flood damage. Even today North Korea refuses to show the sincerity to hold real talks. Maybe North Korea's offer to hold talks is just a repeat of last year when the North requested rice just before the local election. Many think that giving rice to North Korea was a contributing factor to the ruling party's big loss. The North should be aware that no one in this election has made a similar offer.

If the North approaches us in sincerity we might give rice even if we have to purchase it elsewhere. Our desire is to help and not to be used so it would be wise to wait. Perhaps the North fears that admitting to a food shortage and economic troubles would amount to recognizing the failure of Kim Chong-il's policy. Our only concern is fair treatment.

We, along with America and other countries, wish to see North Korea make a soft-landing. The North should accept the three preconditions proposed by our side and realize that talks between the authorities of both sides are the only way to overcome the economic and security crisis.

ROK Editorial Urges Better Preparations Against CBR Weapons

SK3003022596 Seoul THE KOREA HERALD in English 30 Mar 96 p 6

[Editorial: "Pyongyang's Chemical Arms"]

[FBIS Transcribed Text] A recent Pentagon report disclosed that North Korea had developed and deployed to forward bases, large quantities of chemical and biological weapons for use in a war it might provoke. Development and production of these lethal agents are nothing new to us, but the latest disclosure by U.S. intelligence authorities is surely flagrant enough to frustrate the hopes for reduced tension and improved relations between the South and the North on this Peninsula, let alone working against the widespread mood of reconciliation and peace sweeping most parts of the globe.

The disquieting revelation also shows that Pyongyang has never changed its policy of a dual mentality, continuing vicious preparations for resuming military provocations while employing ostensibly peaceful offensives. We have long been inured to Pyongyang's deceitful policy: When North Korea plays up dialogue and conciliation, one should see through the veneer to grasp the enormity of its concealed aggressive design.

Our military intelligence has already confirmed that hundreds of tons of chemical and biological munitions are stored in hundreds of tunnels just north of the military demarcation line. Such chemical agents and germs are far more destructive and inhumane than other means of conventional warfare.

The "speed war" tactics of North Korean Communists call for a surprise preemptive strike by CBR [chemical, biological, and radiological] weapons deep into South Korea, to be followed by an all-out invasion by land, sea and air routes. This blitzkrieg is intended to turn the tide of war in Pyongyang's favor in a matter of less than a week.

Both our military leadership and American allies have expressed concern over the likelihood of North Korea unleashing a chemical-biological attack on the Korean Peninsula. Chemical agents, that cause bleeding, blisters, suffocation and nervous disorders, are among the cruelest arms humanity has invented. Employment of these weapons is criminal as well as morally repugnant.

Members of the world community must join to make their voices heard to denounce and deter the continued development and production of CBR weapons by a few desperate nations of the world. The further stockpiling and possible employment of such weapons would bring untold carnage and misery to mankind. The North Korean war machine is especially called upon to stop its CBR arms buildup. For our part, we in the South should be better prepared against this new growing menace.

ROK: Declassified U.S. File on Kim Chong-pil's 'Political Funds'

SK3003062496 Seoul SEOUL SINMUN in Korean 30 Mar 96 p 1

[FBIS Translated Text] According to a declassified document from the U.S. Central Intelligence Agency [CIA], which was obtained by SEOUL SINMUN on 29 March, the United Liberal Democrats leader Kim Chong-pil received a total of $66 million in political funds from Japanese firms in return for offering privileges to them while he was the chairman of the former Democratic Republican Party [DRP] during the Third Republic, and about the time when the ROK-Japan basic agreement was signed.

The then-classified CIA document entitled "The Future of ROK-Japan Relations," which was dated 18 March 1966, reported: "It has been revealed that the DRP received $66 million, two-thirds of the party's budget, from six Japanese firms between 1961 to 1965, about the same time as the inauguration of the DRP." The document said the Japanese firms made individual contributions ranging from $1 million to $20 million.

The document also reported that Kim Chong-pil, then-chairman of the DRP, "said the party needed $26 million for the 1967 presidential election campaign."

According to the document, the DRP also received a total of $115,000 in political funds from eight ROK companies that tried to monopolize the export of 60,000 tonnes of government-released rice to Japan.

The nine-page document viewed the prospects for ROK-Japan relations following the conclusion of the basic agreement by such fields as diplomatic relations, territorial disputes, fishery rights, and issues concerning Korean residents in Japan. It was declassified on 18 September 1979.

ROK Editorial Criticizes CIA Director, General Luck's Remarks

SK0204054996 Seoul HANGYORE SINMUN in Korean 2 Apr 96 p 2

[Editorial: "Guard Against the Argument on War Crisis"]

[FBIS Translated Text] Few people think lightly of war. The cost of destruction is high regardless of whether one wins or loses in a war, and it is even higher when the outcome of ultimate victory is uncertain. Nonetheless, there are many cases of war unexpectedly ignited by trivial accidents. Thus, the Korean peninsula, which is in a constant state of military confrontation, should always be prepared for potential war. Even the mention of a potential war gives people fear and anxiety.

In this regard, we are very much dismayed by the remarks made before the U.S. Congress by the director of the CIA and the Commander in Chief of U.S. Forces in Korea Gary Luck. CIA Director John Deutch said at the Senate Intelligence Committee meeting in February: "North Korea may provoke a limited war due to the deteriorating instability and uncertainty." Commander Gary Luck said on 28 March before the Senate Military Committee: "In a very short period, North Korea will either collapse or attack the ROK in a desperate attempt to divert attention from its internal situation." The committee meetings were occasions to assess the situation and various sources of intelligence regarding the Korean peninsula. The remarks made at the committee meetings thus are especially significant to us. However, they said something remarkable at the U.S. Congress without giving new supporting information.

No matter what their intentions were, their remarks were irresponsible considering the mental state of the ROK people who are sensitive to war-related moves on the Korean peninsula. North Korea immediately responded to their remarks. Kim Kwang-chin, first vice minister of the People's Armed Forces Ministry, issued a statement through the Central Broadcasting on 29 March, stating: "Ill-boding military movements are being made extensively on the South side of the Military Demarcation Line," and North Korea "cannot but seek due countermeasures." The futile play upon words only casts a shadow on the sense of security on the Korean peninsula.

We do not deny that the United States plays a significant role in maintaining security on the Korean peninsula. However, this cannot be used as an excuse for having to tolerate the irresponsible remarks by U.S. officials. We feel that the recent domestic and international situation is the best opportunity to create an atmosphere for stabilizing peace. We would like to take this opportunity to ask North Korea to refrain from its habitual bellicose remarks. Such remarks only arouse unnecessary hostility from fellow countrymen in the South and are not helpful to North Korea.

ROK Daily Cites U.S. Embassy Report on Misconceptions About ROK

SK3103004296 Seoul THE KOREA TIMES in English 31 Mar 96 p 1,8

[By staff reporter Yi Chang-sop: "U.S. Embassy Highlights Six Misconceptions About Korea"]

[FBIS Transcribed Text] The U.S. Embassy in Korea said that in the last two years the effects of Korean liberalization have been amazing but there still are a number of misconceptions about the country among Westerners and the local people as well.

In a report issued to highlight misconceptions both Koreans and Americans have about the Republic of Korea, it said many of both Koreans and Westerners still "wrongly" believe Korea is a developing country.

Contrary to popular belief, Korea has businesses strong and large by international standards, a stable political situation, rich consumers, high demand in foreign manufactured and capital goods and a fairly open market, the Embassy report said.

Upon visiting Korea, Westerners will know things that indicate Korea is a struggling, third-world developing country are hard to find. It said the Korea of the 1990's is modern, cosmopolitan, fast-paced and dynamic with abundant business opportunities for savvy foreign business people.

It said Koreans are fond of calling their country "the land of morning calm," but a more appropriate title might be the "land of all-day energy."

The second misconceptions foreigners have about Korea is that "Korean business is small and medium-sized." It said Koreans often say that the country's businesses are rather weak and could disappear tomorrow under the threat of international competition. Nothing could be further from the truth, it said.

Korea is now the fifth largest automobile maker in the world. Samsung has 15 percent of the world semiconductor market. Korea's 30 largest conglomerates have become global household names, the report said.

The third myth is "The Republic of Korea is a country of political instability." According to the Embassy report, it is important to recognize that in fact domestic political situation in Korea has been stable enough to permit remarkable growth over the past generation.

In the last few months alone, Korea has weathered a huge scandal involving dozens of its companies and leading politicians and brought to trial its last two military presidents, without major street demonstrations, without a military coup and without other major sociological repercussions.

The fourth false myth both Koreans and Americans have about Korea is, "Korean companies are rich but Korean consumers are poor." It said 10 years ago, it would have been fair to say that Korean business was doing well but that the average Korean consumer was still relatively poor.

All that has changed in the last decade. Korean per-capita income is now over 10,000 per year with many Koreans far wealthier than this statistical average would indicate, it said.

Koreans are buying cars at unprecedented rates. Korean department stores carry pricy, foreign luxury goods. Korean teenagers buy, act and look like American teens at California malls. Koreans, long vaunted for their high savings rate, are increasingly consuming additional income increases, it said. In 1995, exports of American consumer goods to Korea increased 70 percent, a sure sign of the popularity of things American in Korea and of rapidly changing consumption patterns, it said.

The fifth misunderstanding is that "Koreans don't need to import manufactured or capital goods," it said. Despite the phenomenal success of Korean business, both in the domestic and export markets, Korean firms still import many raw materials and semi-finished goods from the United States and elsewhere.

The growth potential is only just getting under way. For example, Korea has ambitions to be among the top 10 producers of aircraft in the world by 2005 with annual sales of 10 billion dollars. Such undertakings, not uncommon in Korea, mean the import of billions of dollars worth of capital goods from the United States and elsewhere, the Embassy report said

The sixth myth about Korea is that the "Korean market is too tough and not open to imports." There is no doubt that the Korean market is often a closed one to imports and that problems still exist in trying to do business in Korea. Still the progress that Korea has made over the past two years of liberalization is truly amazing, it said. Korea has made efforts to improve the protection of intellectual property rights. It has liberalized aspects of the telecommunications and financial sectors-heretofore two of the most closed markets. It has reduced bureaucratic red tape in import procedures and customs clearance and the government has opened a number of sectors to investment, allowing friendly mergers and acquisitions, it said.

ROK Daily on 5 Major U.S.-ROK Trade Issues as Cited by USTR

SK3003014396 Seoul THE KOREA TIMES in English 30 Mar 96 p 8

[Report by staff reporter Sim Chae-yun]

[FBIS Transcribed Text] The U.S. Trade Representative (USTR) has come up with trade issues with Korea in five major sectors — intellectual property rights (IPR), automobile, food, telecommunications and steel.

In an annual report on the trade agreements program submitted to the U.S. Congress, the USTR said the two nations have been in conflict mainly in the five trade fields. The report was acquired by the Korea Trade-Investment Promotion Agency (KOTRA) and the Korea Foreign Trade Association (KFTA).

With regard to intellectual property rights [IPR], the USTR appreciated Korea's efforts for IPR protection saying that at the end of 1995, Korea lowered duties on all computer software to zero.

Korea also decided against adding a provision to its Computer Program Protection Law that would have specifically permitted computer programs to be dismantled.

In addition, Korea also made some modifications to its regulatory regime to enhance the protection of well-known trademarks, it said.

But it criticized Korea for failing to protect the IPR for works that were created either before 1957, which mainly include movies and sound recordings, or works by an author who died before 1957.

It also charged that Korea's related provisions enacted from the end of 1995 will not go into effect for up to two years, long after January 1, 1996.

"Additionally, some of these provisions fall short of the obligations on Trade-Related Intellectual Property (TRIP). Of these, the absence of full retroactive copyright protection is the greatest concern," according to the report.

This falls 11 years short of the TRIP requirement, which mandates that protection be extended back to 1946.

Touching upon the auto agreement issue between the two nations, it asserted that Korea remains most protectionist in the world in car imports.

No other major auto-producing country imports fewer cars than Korea. In 1995, the foreign share in the Korean auto market was a mere 0.45 percent, compared to five percent for Japan, more than 33 percent for France and Germany and 33 percent for the United States, it said.

"Korea agreed to liberalize standards and certification procedures, reduce taxes that discriminate against imported vehicles, and permit foreign advertisers equal access to television advertising time," the USTR said.

The USTR noted that the United States will continue to seek improved market access in Korea.

On the shelf-life issues for meat products, the USTR said Korea agreed to phase-out its current system and allow manufacturers to set their own "sell-by" dates. "For chilled, vacuum-packed meat and frozen food, Korea's new system will go into effect July 1, 1996," it said.

In the telecommunications sector Korea agreed to resolve several company specific problems, including allowing one major telecommunications company to bid in the 1995 procurement cycle. This procurement was postponed until early 1996, the USTR said.

Regarding the steel issue, the USTR reported that the two nations concurred on establishing consultative mechanisms for one year to increase transparency concerning pipes and steel sheets, and pipes and tube products. Korea also agreed to notify the United States of any measure introduced to control steel production and pricing of exports, and make certain Korea no longer interferes in pricing or production.

KIEP States ROK-U.S. Economic Relations 'Continue To Boom'

SK3003022996 Seoul THE KOREA TIMES in English 30 Mar 96 p 9

[FBIS Transcribed Text] The Korea Institute for International Economic Policy (KIEP) yesterday said Korean-U.S. economic relations continue to boom.

W. Robert Warne, head of the Korea Economic Institute of America, a KIEP U.S. subsidiary, said that last year there was a 30-percent expansion in bilateral trade to almost 50 billion dollars, making Korea the U.S.'s seventh largest trading partner and its fifth largest export market, passing Germany.

In an investment promotion seminar on the U.S. West Coast, he said Korea is America's third largest market for agricultural exports. Unlike other Asian trading partners, the United States has enjoyed trade surpluses with Korea in recent years, with that last year amounting to over 1.2 billion dollars, he said.

Foreign direct investment to Korea amounted to a record 2 billion dollars last year, up over 30 percent from 1994. American investment was at a record level last year, totalling over 500 million dollars, he said.

Korean outward foreign direct investment has also grown. Approved investment projects amounted to 3.7 billion in 1994. Korean investment in the United States totalled 530 million dollars in 1994, up 40 percent over the previous year, making the U.S. the largest recipient. Last year, Korean firms announced investment projects in the United States worth over 3 billion dollars, including several major factories to build semiconductors.

ROK: KTC To Investigate Alleged U.S., PRC Animal Feed Dumping

SK3003014296 Seoul THE KOREA HERALD in English 30 Mar 96 p 8

[FBIS Transcribed Text] The Korean Trade Commission (KTC) yesterday decided to launch investigations into the alleged dumping here of an animal feed ingredient by U.S. and Chinese companies.

The item in dispute is choline chloride, a type of Vitamin B and an essential nutrient in making feeds for livestock.

A local supplier, Choline Chemical Co., developed the chemical material with its own technology in 1980 and has met almost all of the domestic demand since 1990, KTC officials said.

From late 1994, however, Chinook Group and Shinochem Tianjin L/E Corp. of China started to sell the product at prices that were 60-90 percent lower than the local product, sharply increasing imports to 1,829 tons valued at $1.7 million last year from almost nothing the previous year, according to the Korean complainant.

The domestic market share of imported goods also rose to 30 percent, it said. This reduced the Korean firm's sales by 11.2 percent and its production by 13.8 percent, while reversing its balance sheet to a loss of 324 million won.

"KTC recognized the Korean firm as representing the domestic industry and it presented sufficient proofs on the dumping and its damage on the company," an official said.

It will conduct a preliminary probe for three months into the U.S. and Chinese products and levy temporary antidumping duties for four months if the results turn out to be positive pending another three months of full-scale investigations, they said.

These decisions were made at the 100th session of the Korean antidumping agency under the wing of the Ministry of Trade Industry and Energy since it was created July 1, 1987.

During the eight years and nine months of operation, the commission has handled 211 cases, including 17 antidumping litigations and 26 industrial injury matters. It also probed into 185 violations such as infringement on intellectual property rights and place of origin rules.

Beginning Jan. 1, the commission took over the business of determining the dumping rate from the Ministry of Finance and Economy, in what the officials said as the streamlining of antidumping administration. It also is prepared for duties concerning the industrial safeguard system on textile products and shipbuilding bidding, said Kim Chong-whi, director general for trade investigation.

"To enhance the administrative expertise, the commission plans to hire two certified public accountants from civilians and send them for overseas training," Kim said

ROK Not To Accept U.S. Demand on Paper Imports' Tariffs

SK0204062496 Seoul THE KOREA HERALD in English 2 Apr 96 p 13

[FBIS Transcribed Text] Korea will not accept the U.S. demand to abolish tariffs on paper imports ahead of schedule, a ranking official said yesterday.

Seoul is scheduled to impose zero-rate import duties on paper products on a phased basis until 2004, under the Uruguay Round of multilateral trade accord, said Vice Minister of Trade, Industry and Energy An Kwang-ku.

"The government feels no need to advance the timetable right now," An said while meeting with local paper makers.

During the meeting, the representatives of the domestic paper industry requested that the government turn down Washington's demand for shaving the tariffs on paper to zero rate in the next five years, saying that such a move will likely weaken the competitiveness of the domestic industry.

Instead, they asked the ministry to abolish import duties on pulp and wood chips, citing any price fluctuation of these raw materials in international markets may worsen their financial situations.

Vice Minister An replied that the government will favorably consider the matter but said that no tariffs on paper scraps will be difficult as it would threaten the livelihood of petty scrap dealers here.

ROK: KFTA: U.S. Report Cites Seoul as 12th Most Expensive City

SK3103004496 Seoul THE KOREA HERALD in English 31 Mar 96 p 8

[FBIS Transcribed Text] Seoul was the 12th most expensive city among major metropolises of the world, in a recent U.S. State Department survey, the Korea Foreign Trade Association (KFTA) said.

Tokyo retained its infamous title as the most expensive city, according to a report from the KFTA's New York office.

The 1993-1995 survey, based on the fixing of Washington D.C.'s living cost at 100, showed the Japanese capital as the most costly with an index of 257.

Tokyo was followed by Paris with 194, Kinshasa, the capital of Zaire, (189) and Baghdad (186). The cost of living in this survey excludes housing and educational expenses.

In Asia, Hong Kong came next to Tokyo with an index of 150, with Seoul (147), Taipei (143) and Beijing (118) following the two most expensive cities.

Housing expenses for foreigners also were heaviest in Tokyo, which required a housing allowance of $60,200 for an American individual with an annual salary of $31,000 or less to maintain his living standard back in the United States, the report said. The housing allowance rose to $65,000 if he or she supports a family of three.

The housing prices were much cheaper in suburban Tokyo, dropping to $19,000 for an individual and $20,400 for a three member family, respectively.

Seoul also required the high housing cost of $29,000 per foreign wage earner a year. Corresponding figures for other Korean cities were Pusan ($15,100), Taegu ($17,400) and Uijongbu ($16,900), according to the survey.

The survey also named several cities in the world as requiring special allowances of between 5 percent and 25 percent of basic salaries for foreign workers, in view of various difficulties they face there in carrying out tasks.

ROK, DPRK 'Expected' To Hold Meeting in Beijing

SK0104055996 Seoul CHOSON ILBO in Korean 28 Mar 96 p 2

[Report by Kang Kyong-hui]

[FBIS Translated Text] South and North Korea are expected to hold a deputy ministerial-level meeting in Beijing for the first time in six months.

On 27 April, the Ministry of Finance and Economy disclosed that Yi Hwan-kyun, deputy minister of finance and economy, will attend the meeting of the Program Management Committee of the Tumen River Area Development Program (TRADP), which is slated to be held in Beijing for two days beginning 18 April. South Korea, North Korea, China, Russia, and Mongolia will attend the meeting. From the North side, Kim Chong-u, vice chairman of the External Economic Committee, will reportedly attend the meeting.

ROK: DPRK Reportedly Plans To Exclude ROK From TRADP

SK0204125596 Seoul CHUNGANG ILBO in Korean 2 Apr 96 p 2

[FBIS Translated Text] ROK businesses are expected to run into difficulties in participating in the Tumen River Area Development Project [TRADP] because North Korea is moving to exclude the ROK from the project promoted by the United Nations Development Program. Kim Kwang-nim, senior consultant for external economy of the Ministry of Finance and Economy, said on 1 April: "North Korea maintained that basic communication facilities for the TRADP should be set up first for Najin, Sonbong (North Korea), Hunchun (China), and Slavyanka (Russia), and proposed that a separate task force be formed to this end with the three neighboring countries, namely, North Korea, China, and Russia, excluding South Korea and Mongolia."

ROK: DPRK Vice Marshal's Statement Analyzed

SK0204101396 Seoul WEEKLY NORTH KOREAN TRENDS No. 273 in Korean 1 Apr 96

[FBIS Translated Excerpt] On 29 March, North Korea issued a statement in the name of Kim Kwang-chin, first vice minister of the People's Armed Forces, denouncing the "Valiant Usher 96" and "Hoguk 96" exercises as a war provocation. It also announced that it will seek countermeasures, including those regarding the situation of the DMZ and the Military Demarcation Line, whose status can no longer be maintained. [passage omitted]

North Korea has issued a series of information notices in the name of the Secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] and press statements by the Foreign Ministry spokesman, denouncing the ROK for maneuvering to provoke a war of northward aggression and asserting the need for direct military talks with the United States:

14 January - Commotions of Confrontation and War Against the Republic (CPRF Information No. 700)

17 January - Seeking Countermeasures for the U.S. War Exercises Has Become Inevitable (CPRF Information No. 701)

22 February - Proposal for a Tentative Agreement With the United States To Prevent an Armed Conflict Between the DPRK and the United States (Foreign Ministry spokesman's statement)

27 February - Denunciation of ROK-U.S. Joint War Exercises (CPRF Information No. 703)

8 March - Status of the Current Armistice Agreement and Supervisory Commission (Korean People's Army Panmunjom Mission's memorandum)

Remarkable contents of Kim Kwang-chin's statements are:

That it exaggerated the seriousness by stating: "the trigger for northward invasion has already been pulled," and "the question is not whether a war will break out on the Korean peninsula but when it will take place;"

That North Korea had stressed negotiations and threatened to take countermeasures if their demands were not met (Korean People's Army Panmunjom Mission's memorandum dated 8 March), but the statement stressed that there is a limit to dialogue without presenting preconditions;

And that it asserted that countermeasures will be sought regarding the situation of the DMZ and the Military Demarcation Line, whose status can no longer be maintained.

Kim Kwang-chin's mention of the possibility of war through a statement aired by the Central Broadcasting is analyzed to be a multi-purpose measure to restrain the loosening of discipline in society, including the increasing complaints of the North Korean people, by creating the sense of a war crisis; to warm up the atmosphere to incapacitate the Armistice Agreement and induce the United States to sign a tentative agreement or come forward to direct military talks; and to expand the fear of war among the ROK people with the military threat, and thereby press for the signing of the DPRK-U.S. tentative agreement, and create the conditions for public opinion to call for the sending of more aid to North Korea.

Expected countermeasures mentioned by the statement are the deployment of troops to the DMZ, the sparking of a dispute, the declaration of the invalidation of the Armistice Agreement, and a unilateral close down of the joint security area in Panmunjom. However, North Korea is expected to stress more on psychological pressure using threatening tactics by talking about war provocations, and by a limited show of force or some unexpected actions.

Note: The joint security area was established according to the Agreement on the headquarters zone of the Military Armistice Commission [MAC], and on security and the reduction of the headquarters zone ratified at the 25th MAC meeting on 19 October 1953. [passage omitted covered in ref one]

ROK: DPRK Urges Additional International Food Aid

SK0204054696 Seoul KBS-1 Radio Network in Korean 0300 GMT 2 Apr 96

[FBIS Translated Text] The United Nations has decided to convene a meeting of donor countries soon to collect assisting funds for providing rice aid to North Korea. This is in response to North Korea's emergency international request for rice aid made this past weekend. Following is a report from Pak Chan-uk.

[Begin recording] North Korea revealed that it is retracting its statement made in January that the North would reject food aid from the international society.

(Pak Tok-hun), spokesman for Pyongyang's mission in Geneva, told reporters yesterday that he submitted a letter to the U.N. Humanitarian Bureau in Geneva over the weekend, requesting food aid from international society. He explained that North Korea remains in a state of national emergency, and that additional food aid from the United Nations and private international organizations is desperately needed.

In this regard, spokesman Pak noted that a meeting of U.N. donor agencies and governments, will be held this week to determine the scale and priorities in aid to North Korea.

In connection with this, the United States revealed that it is not considering additional food aid for North Korea. U.S. State Department Spokesman Davis said that though he knows that the Red Cross Society has appealed for international aid for North Korea, there is no plan for additional aid beyond the provision of $2.3 million to North Korea. [end recording]

ROK: DPRK, Japan Reportedly Discuss Normalizing Relations

SK3103023596 Seoul TONG-A ILBO in Korean 28 Mar 96 p 2

[Report by Pae In-chun from Tokyo]

[FBIS Translated Text] It was learned on 27 March that North Korea and Japan held a preparatory meeting in Beijing in mid-March to officially resume talks to normalize diplomatic relations between the two countries, which were suspended in November 1992.

A source said that during the working-level contact, both sides confirmed their consensus for an early resumption of the talks to establish diplomatic relations. Japan reportedly dispatched an official from the Foreign Ministry's Asia Bureau to the preparatory meeting.

According to the source, North Korea is in a hurry to improve relations with Japan; Tokyo has assumed the position that it will officially open a government-level channel of dialogue with North Korea at the earliest possible date following the 11 April general elections in the ROK, doing so under the presupposition that it is keeping in step with improvements in South-North relations.

ROK, Japan To Hold Meeting on Double Taxation Agreement

SK0204082496 Seoul YONHAP in English 0738 GMT 2 Apr 96

[FBIS Transcribed Text] Seoul, April 2 (YONHAP) — Korea and Japan are set to amend their double taxation prevention agreement this year so that stock market investors from both countries will not be taxed, the Finance and Economy Ministry said Tuesday.

The move, if carried out as planned, is likely to increase the inflow of Japanese funds into the Korean securities market.

Officials from both countries are scheduled to hold meetings April 8-10 in Tokyo to discuss the amendment. Yi Kyong-kun, chief of the Capital and Consumer Tax Division of the Korean Finance and Economy Ministry, will travel to Tokyo for the meeting.

Korea and Japan signed the agreement in 1970 without making provisions for securities investment profits, hindering investors from both countries wishing to invest in each other's stock market.

Ministry officials said the amendment may possibly extend to other areas, including individual and corporate income, in the direction of reducing their scales, in addition to profits from securities market investment.

ROK Welcomes Japan's Deregulation on Kimchi, Other Items

SK3003024196 Seoul YONHAP in English 0216 GMT 30 Mar 96

[FBIS Transcribed Text] Seoul, March 30 (YONHAP) — South Korea on Saturday welcomed measures taken by Japan the previous day to ease regulations on the importation of construction materials and kimchi and extend shelf life of imported Korean kimchi to one year from the current six months.

In a statement, the Foreign Ministry, however, urged the Japanese Government to take additional measures to ease regulations on fishery, textile, footwear and rubber product imports and the issuance of reentry permits for ethnic Koreans living in Japan.

The Japanese deregulation measures announced Friday include the extension of validity of imported construction materials inspection certificates to three years from the current one year and up to 40 percent cut-off in inspection rate.

Japan also promised to simplify visa issuance procedures and extend validity of visas by the end of 1997.

The statement said that South Korea will continue to urge Japan to make continued efforts to deregulate Korean imports.

ROK, Vietnam Plan To Hold Joint Meeting on Trade, Investment

SK0204071696 Seoul YONHAP in English 0626 GMT 2 Apr 96

[FBIS Transcribed Text] Seoul, April 2 (YONHAP) — South Korea and Vietnam will hold a joint economic committee meeting Thursday to enhance bilateral trade and investment, Foreign Ministry spokesman So Tae-won said Tuesday.

Deputy Foreign Minister for Economic Affairs Choe Tae-hwa will lead a South Korean delegation to the meeting which will be held in Hanoi until Friday, So said.

Choe's Vietnamese counterpart will be Vice Foreign Minister Vu Khoan.

The meeting will focus on a Korean Economic Development Cooperation Fund (EDCF) grant to Vietnam and Korean International Cooperation Agency (KOICA) development projects in Vietnam, the spokesman said.

Ways of enhancing trade and investment between the two countries, resource development and the establishment of telecommunication networks will also be discussed.

South Korea is also considering building an industrial park near Hanoi solely for South Korean firms and seeking cooperation from the Vietnamese Government to help South Korean firms participate in such infrastructure projects as oil well development and establishment of telecommunication networks.

South Korea remains the third largest trading partner for Vietnam following Japan and Singapore as well as the fifth biggest investor in Vietnam after Taiwan, Hong Kong, Japan and Singapore.

In 1995, South Korea exported 1.3 billion dollars worth of goods to Vietnam while importing 190 million dollars in goods from Vietnam.

By the end of 1995, South Korean firms will have invested a total of 311 million dollars in Vietnam.

ROK, China Plan To Jointly Study Yellow Sea

SK0104114296 Seoul YONHAP in English 1039 GMT 1 Apr 96

[FBIS Transcribed Text] Ansan, Kyonggi Province, April 1 (YONHAP) — South Korea and China are set to undertake a joint maritime survey in the West Sea [Yellow Sea] shortly, the Korea Maritime Research Institute here reported Monday.

An institute official said Korean and Chinese experts will examine the flow of currents, cause of warm currents and the like during the 11-day survey from April 6 through 16.

The areas to be studied will be the seas between Cheju-to and the Tae-an peninsula on the Korean side and the Chinese area between the Yangtze River and Shandong peninsula.

The institute and the Chinese maritime bureau will use their survey vessels and Korean and Chinese maritime experts will board each other's ships for joint studies.

The outcome of the surveys to be made will be shared by both sides, the official said.

ROK To Join Wassenaar Treaty on Defense Imports, Exports

SK3103110096 Seoul MAEIL KYONGJE SINMUN in Korean 27 Mar 96 p 2

[Report by Chang Kyong-tok]

[FBIS Translated Excerpt] The ROK will join the Wassenaar treaty, which controls the export of strategic materials. Following the dissolution of the Coordinating Committee for Exports to Communist Areas, Wassenaar membership makes it easier to export and import defense and advanced industrial materials and technologies. One of the other benefits is the easier importing of the latest technology from advanced countries.

A government official said on 26 March that the ROK is likely to be invited to the launching of the Wassenaar agreement — which is to be held in Vienna, Austria on 2 and 3 April — as a member of the first congress, and that even if the ROK does not attend the first congress, the ROK will soon become a formal member of the agreement.

Preparing for Wassenaar membership, the ROK Government has completed related domestic regulations on controlling the export of strategic materials, and has contacted about 20 countries leading the Wassenaar agreement, including the United States and Russia. Most of the 20 countries have had a positive response. The United States had reserved its decision on membership by the ROK, but has recently shown a positive attitude. The ROK Government expects membership within months even if the ROK is not invited to the first congress.

Member states of the Wassenaar agreement can freely exchange strategic materials and technologies defined by the Missile Technology Control Regime, the NSG [expansion unknown] controlling the export of nuclear power, and the AG [expansion unknown] controlling the export of biochemical weapons, as well as double-use items that can be used for military use. The Wassenaar membership is expected to greatly promote the related industries of the ROK. [passage omitted on explanation of the Wassenaar arrangement]

More on ROK's Joining Wassenaar Arrangement on Exports Control

SK0104094496 Seoul YONHAP in English 0646 GMT 1 Apr 96

[FBIS Transcribed Text] Seoul, April 1 (YONHAP) — South Korea will join a new international regime Tuesday on export controls for strategic goods and technologies which will replace the Coordination Committee for Export to Communist Area (COCOM), a Foreign Ministry official said Monday.

South Korea has observed regulations imposed by the COCOM through bilateral agreements with the United States, although Seoul has not joined the COCOM which controlled exports of strategic materials to communist states.

South Korea's Ambassador to Austria Yi Sung-kon will lead a South Korean delegation to a meeting to inaugurate the Wassenaar Arrangement on export controls for conventional arms and dual-use goods and technologies which will be held in Vienna, Austria, for a couple of days beginning Tuesday.

The ministry expects that joining the Wassenaar Arrangement will help expedite exports of strategic goods and technologies to foreign countries and imports of high-tech equipment from abroad.

South Korea can get easier access to high-tech experimental materials, basic materials, semiconductor production facilities and other high value-added goods, officials hope.

They also hope that South Korea can have a greater say in the decision-making process of the Wassenaar Arrangement for control of strategic materials.

The Wassenaar Arrangement calls for member countries to ease restrictions on exchange of strategic goods and technologies among themselves while strictly controlling exports of strategic goods to non-member countries.

The Wassenaar Arrangement, to be headquartered in Vienna, will have 30 countries as founding members.

South Korea exported strategic goods worth 4.2 billion dollars in 1995 and is expected to surpass the 7.5 billion dollar mark by 2000 and 15 billion dollars in 2005.

South Korea and the United States signed a memorandum of understanding (MOU) on the protection of strategic commodities and technical data in 1987 under which South Korea has controlled its exports of strategic commodities to overseas countries.

The MOU calls for South Korea to observe standards similar to those imposed under COCOM.

South Korea is, in the meantime, also working to join the Missile Technology Control Regime (MTCR) which allows member countries to freely exhange technologies for production of missiles with the range of 300 km.

South Korea and the United States currently have an MOU which bans South Korea from developing missiles with a range of over 180 km.

ROK: OECD Member Countries' Demand on ROK Labor Laws Noted

SK0204065096 Seoul THE KOREA TIMES in English 2 Apr 96 p 9

[Report by staff reporter Yi Chang-sop]

[FBIS Transcribed Text] European members of the Organization for Economic Cooperation and Development (OECD) have called on Korea to allow its government employees to form a labor union.

They also called on Seoul to permit the creation of more than one labor union at a single company and scrap its rule barring third parties from intervening in labor disputes.

These calls were made when Deputy Finance-Economy Minister Chang Sung-u visited the OECD headquarters last month.

Chang, returning from the Paris meeting, told reporters yesterday that such countries as Norway and Denmark have pressed Korea to harmonize its labor laws with those in the OECD countries and standards recommended by the International Labor Organization.

No OECD country bars the formation of labor unions by government employees, third party intervention and the creation of multiple unions in a single company, an OECD member was quoted as having said.

Chang said he got the impression that the OECD wants Korea to publish an exact timetable when Korean labor laws not in harmony with the OECD standards will be repealed.

He said he told the OECD members that what is important is to form a consensus among the labor and political circles on the need to revise labor laws, not whether the Korean government will either oppose or favor the revision.

Chang said these issues will be seriously discussed on April 15 when the OECD Labor Affairs Committee invites Korean government officials to discuss Korean labor laws and the possibility of their revision.

Chang said he got the impression that Korea's delay or refusal to change the domestic labor laws, might create a negative mood in the OECD about the nation's entry into the 27-member club. OECD members, especially the United States and the United Kingdom, have pressed Korea to speed up Seoul's liberalization of cross-border capital flows, and urged Seoul to come up with a more concrete' timetable on the complete removal of existing controls, Chang said.

I explained to them why Korea is cautious in removing controls on capital movement. The North Korean threat is one reason why Seoul is pursuing a step-by-step approach, he said. Furthermore, Korea does not want to repeat Mexico's failure in its capital flow deregulation program, Chang said.

Many Latin American countries including Mexico, Argentina and Chile are now grappling with how to cope with hot money in their macroeconomic management, he said. He also said OECD members added that it is desirable for Korea to reduce chaebol's economic concentration through existing taxation and competition policies.

ROK Eases Terms of EDCF Loans to Developing Countries

SK0204124696 Seoul YONHAP in English 0909 GMT 2 Apr 96

[FBIS Transcribed Text] Seoul, April 2 (YONHAP) — South Korea has decided to increase, and ease the terms and conditions of, its Economic Development Cooperation Fund (EDCF) loans in an effort to support its businesses with their bids to make inroads into newly emerging markets.

The government will set aside about 400 million U.S. dollars for EDCF loans this year, more than double the 180 million dollars approved last year, according to the Finance and Economy Ministry Tuesday.

The terms of EDCF loans have so far been stiffer than official development assistance loans offered by advanced countries, which has made access to developing economies more difficult for Korean businesses than their rivals in advanced countries, a ministry official said.

Under the ministry's plan to improve EDCF loan management, the average repayment period will be extended from the current 20.5 year, including a grace period of 5.2 years, to 29 years with a 8.8- year grace period, beginning Wednesday.

In addition, the average annual interest rate will be lowered from the current 3.2 percent to 2.4 percent.

The newly arranged terms are comparable to the 29-year repayment period (10-year grace period) and a 2.7-percent interest rate offered by the Organization for Economic Cooperation and Development.

The terms for EDCF loans to countries where the per capita income was 1,345 dollars or less in 1993 — including China, India and Vietnam — will be more lenient than the average, the official said.

Whereas the EDCF loaning has up until now focused on five Asian countries like China, Indonesia and Vietnam, the scope of primary recipients will be so expanded as to comprise more than 10 nations in Africa, South America and Southwest Asia as well.

The 50-million-won ceiling on per-project EDCF assistance is also going to be raised, and the loans will now be available for anti- pollution, science and technology development and other similar projects.

The feasibility study procedure for a proposed EDCF-funded project will also be simplified by reducing the required maximum period for such studies from the current 24 to 18 months.

EDCF loans will be linked to the grant-type aid provided by the Korea International Cooperation Agency to enhance the effect of South Korea's official development assistance.

The loans will also be made for projects in developing countries funded by the World Bank, the Asian Development Bank and other international financial organizations.

The EDCF was established in 1987 and has extended loans worth 639.7 million dollars for 45 projects in 21 countries as of the end of last month.

The EDCF had raised approximately 1 billion dollars and approved about 650 million dollars in loans by the end of last year. It will have approximately 700 million dollars available for loans to developing countries after it receives the 350 million dollars in outstanding principal and interest it is owed for previous loans this year.

ROK: UN Chief Vows To Work for Peace in Korea

SK3003144396 Seoul YONHAP in English
1045 GMT 30 Mar 96

[FBIS Transcribed Text] Seoul, March 30 (YONHAP) — United Nations Secretary General Butrus Butrus-Ghali said Saturday that he will do everything that he can to make sure that the world organization contributes to peace and stability on the Korean Peninsula.

Butrus-Ghali was having dinner at the official residence of Foreign Minister Kong No-myong.

Butrus-Ghali also evaluated Seoul's participation in UN peacekeeping operations and as a member of the United Nations Security Council.

Ways to enhance cooperation between South Korea and the world body, UN restructuring, financial problems facing UN and more employment of South Koreans at the world body were some of the topics discussed.

Butrus-Ghali will attend the opening ceremony for the UN Peacekeeper Garden at the Grand Children's Park in eastern Seoul Monday and then take part in a seminar on the future of the United Nations.

ROK: Butrus-Ghali: UN Willing To Mediate Inter-Korean Dialogue

SK3103012596 (Internet) The Chungang Ilbo WWW
in English 31 Mar 96

[FBIS Transcribed Text] The United Nations' Secretary-General Butrus Butrus-Ghali, who is currently on an official visit to South Korea, stated on the 30th his willingness to play an active intermediary role in the resumption of inter-Korean dialogue.

Secretary-General Butrus-Ghali stated in an exclusive interview with the Joong-Ang Ilbo on the same day that "the United Nations is prepared to encourage the governments of South and North Korea to engage in dialogue. The UN Development Planning (UNDP) offices established both in Seoul and Pyongyang can become the point of contact for both governments."

ROK: Butrus-Ghali Urges Reforming UN Security Council

SK0104060996 Seoul YONHAP in English
0535 GMT 1 Apr 96

[FBIS Transcribed Text] Seoul, April 1 (YONHAP) — United Nations Secretary General Butrus Butrus-Ghali called for an increase in the number of permanent seats in the UN Security Council (UNSC) Monday.

Nations considered for such seats should not only be advanced countries, the UN chief asserted, adding that developing nations should be given priority consideration for non-permanent UNSC membership. He also said that non-permanent members should also be accorded greater powers.

He made the remarks while giving a keynote speech at the two-day seminar "the United Nations: The Next Fifty Years" at the Hilton Hotel in downtown Seoul.

Former South Korean Foreign Minister Han Sung-chu, now a professor and the director of the Ilmin International Relations Institute at Korea University, and the UN Association of Korea Secretary General and ex-Prime Minister Yu Chang-sun both made opening remarks at the seminar, which will run until Tuesday. Both domestic and foreign speakers, as well as members of the foreign diplomatic corps in Seoul, have been invited to the forum.

Measures to enhance the working matters of the UNSC must also be pressed for, Butrus-Ghali asserted, and pointed out the need for greater transparency in the procedures related for UN sanctions.

The secretary general will give a press conference just before leaving Seoul Tuesday morning.

ROK: UN's Butrus-Ghali Holds News Conference 2 Apr

SK0204061196 Seoul YONHAP in English
0514 GMT 2 Apr 96

[FBIS Transcribed Text] Seoul, April 2 (YONHAP) — United Nations Secretary General Butrus Butrus-Ghali declared Tuesday that UN participation in both the replacement of the 1953 armistice between the two Koreas with a peace treaty and eventual reunification of the peninsula are the aims of the world body.

"Once the reunification of Korea happens, Korea will have a greater impact on world affairs, on peace, on development and on the democratization of international relations," he said at a press conference at the Hyatt Regency Hotel in downtown Seoul, wrapping up his six-day visit.

He reiterated that the United Nations would continue to play a mediating role in inter-Korean dialogue and eventual reunification if so requested by both sides.

Because he was unable to visit North Korea this time due to his busy schedule, he said he would go there to meet with Pyongyang officials later, adding that he has been having normal contact with the North's UN representative in New York.

The UN secretary general visited Pyongyang in 1994 and met its leader, the late Kim Il-song.

A third trip to South Korea sometime next year is on his agenda, he said.

Butrus-Ghali declined comment on the reportedly dire economic situation in the North and the prospect of "military adventurism" by Pyongyang as cautioned by President Kim Yong-sam, but said he hopes "through negotiation and dialogue, that the problem can be solved peacefully without any kind of military confrontation."

On UNSC [UN Security Council] Resolution 986, which calls for 2 billion U.S. dollars in oil sales by Iraq to pay for humanitarian needs, he expressed his hope that the differences between the UN Secretariat and Baghdad on the measure's implementation can be overcome for the sake of the Iraqi people.

He said that he confirmed that the third round of formal talks on the resolution would begin in New York Monday with the Iraqi foreign minister during his trip to Beijing, but expressed uncertainty about the results of such negotiations.

The important thing is that both Iraq and the international community have the political will to alleviate the suffering of the Iraqi people, Butrus-Ghali said.

"Thus, there are positive chances to be successful in the implementation of Resolution 986."

He added, however, that the United Nations would not make any concessions in the talks.

When asked about Russia's role in peace on the Korean peninsula and in northeast Asia, the senior UN official said, "as a permanent member of the UN Security Council, (Russia) has the responsibility to promote peace and security all over the world."

He added that Russia could pursue such a role through the United Nations and through technical cooperation such as the Tuman River area development project.

ROK, Rio Group To Establish Dialogue System on Ties

SK0104094996 Seoul YONHAP in English
0740 GMT 1 Apr 96

[FBIS Transcribed Text] Seoul, April 1 (YONHAP) — South Korea and the Rio Group consisting of 14 South American and Caribbean States agreed Monday to establish a dialogue system to enhance bilateral trade and economic and political relations, Foreign Ministry Spokesman So Tae-won said.

The agreement was made between Foreign Minister Kong No-myong and his Bolivian counterpart Antonio Aranibar Quiroga who is also the secretary general of the Rio Group, the most influential regional group in South America and the Caribbean.

According to the agreement, South Korea and the Rio Group will have annual ministerial-level meetings at the United Nations on issues of bilateral concern.

The first such meeting will be held in New York on the sidelines of the 51st General Assembly of the United Nations in New York this coming fall.

The current Rio Group representative "troika" that meets with foreign countries or regional groups is made up of foreign ministers from Bolivia, the chair country in 1996, former chaircountry Ecuador and next chaircountry Paraguay.

The Rio Group was established in 1986 in Rio de Janeiro, Brazil and holds an annual summit and occasional meetings so foreign ministers can coordinate their positions in relations with countries outside their group.

Members of the Rio Group include Brazil, Argentina, Uruguay, Paraguay, Chile, Bolivia, Peru, Ecuador, Colombia, Venezuela, Mexico and Panama.

ROK, Bolivia Sign Investment Guarantee Agreement

SK0104095296 Seoul YONHAP in English
0745 GMT 1 Apr 96

[FBIS Transcribed Text] Seoul, April 1 (YONHAP) — South Korea and Bolivia signed an investment guarantee agreement Monday which will pave the way for South Korean firms to make inroads into the South American state.

Foreign Minister Kong No-myong and visiting Bolivian Foreign Minister Antonio Aranibar Quiroga signed the agreement on the reciprocal promotion and protection of investments which stipulates investors from one country be given "de facto national treatment" in the other country.

Before signing the agreement, the two ministers held a meeting to agree that they make efforts to enhance bilateral economic and political relations.

During the meeting, Aranibar promised that the Bolivian Embassy in Seoul will have the discretion to issue visas for South Koreans unlike the present system in which the embassy must get permission from the Bolivian Government before issuing visas.

South Korea exported 18 million dollars worth of goods to Bolivia in 1995 while importing 8 million dollars worth.

As of last December, South Korean firms have invested 1.8 million dollars in facilities to produce silk, medial products, aluminum and plywood in Bolivia.

ROK: Mutiny, Insurrection Trial of Chon, No Resumes 1 Apr

SK0104030596 Seoul YONHAP in English
0204 GMT 1 Apr 96

[FBIS Transcribed Text] Seoul, April 1 (YONHAP) — The Seoul District Court's opened the fourth trial session on the mutiny and insurrection charges brought against former Presidents Chon Tu-hwan and No Tae-u and 14 others Monday morning.

After a public prosecutor read the indictment, defendant Pak Chun-pyong and four others were led out of the courtroom.

In the morning, prosecutors were to grill defendant No as to why and how he deployed coup d'etat troops to encircle the National Assembly for keeping lawmakers from reporting to the parliament on May 17, 1980.

The former president was also to be queried about the deployment of coup troops around the State Council meeting room on the same day.

In the afternoon, defendants Yu Hak-song, Yi Hak-pong and others are to be questioned about their roles in the coup d'etat that enabled Defense Security Commander Maj. Gen. Chon Tu-hwan to seize power in 1980.

The court will hold the fifth trial session April 22.

ROK: 'New Facts' Exposed During Chon, No Trial

SK0204055896 Seoul YONHAP in English
0214 GMT 2 Apr 96

[FBIS Transcribed Text] Seoul, April 2 (YONHAP) — In the trial of former Presidents Chon Tu-hwan and No Tae-u and 14 other former Army officers on mutiny and treason charges Monday, new facts about the so-called new military elite's attempt to seize power were revealed during public prosecutors' questioning.

Operations K and Degrading Choe Kyu-ha

The purpose of the Defense Security Command [DSC]'s so-called Operation K Plan was thought to be a reduction in the number of written and electronic media firms through mergers in an attempt to control the journalistic community.

It was revealed during Monday's session, however, that Operation K was also intended to use media to blame and degrade then opposition leaders Kim Yong-sam, Kim Tae-chung and Kim Chong-pil and other established politicians for their "dirty political games" and to degrade the [then] President Choe Kyu-ha for his vulnerable leadership in an attempt to pave the way for the new military elite to ascend to power.

No's Exclusive Meeting With Choe Kyu-ha

On May 19, 1980, Defense Security Commander Maj. Gen. Chon Tu-hwan proposed through Chief Presidential Secretary Choe Kwang-su that President Choe Kyu-ha set up an emergency countermeasures body, exercising his right to take emergency measures authorized by the so-called revitalizing constitution proclaimed in 1972 by the late President Pak Chong-hui who was slain in October 1979. But President Choe rejected Chon's proposal.

After continued pressure from Chon and his colleagues, President Choe summoned No Tae-u into his office in an attempt to use No to get Chon to drop the emergency body proposal, since the president had heard that No opposed Chon's proposal, according to Chief Presidential Secretary Choe Kwang-su.

When a prosecutor questioned No about this meeting, No admitted that he had met President Choe several times in those days but denied that they discussed Chon's proposal at those meetings.

No Tae-u's Attempt To Persuade Foreign Minister

Around May 23, 1980, then-Defense Security Commander No invited then-Foreign Minister Pak Tong-chin to the DSC office after hearing that Pak opposed the establishment of the special committee for national security measures. No asked him to cooperate in the establishment of the committee.

Pak testified, "Then-Defense Minister Chu Yong-pok told me that Chon Tu-hwan wanted to meet me at the DSC office. So I visited the DSC, but Chon was not there. Instead, No met me. No tried to persuade me by telling me that then-President Choe Kyu-ha already approved the establishment of the committee."

No, however, denied Pak's statement in court.

No's Support for Indirect Presidential Election System

About mid-July, 1980, then-DSC Commander No met Chon Tu-hwan, Yi Hak-pong, Ho Sam-su and Ho Hwa-pyong at his office in the DSC building and discussed the constitutional revisions made by the Special Committee for National Security Measures' Legislative- Judiciary Subcommittee made.

Their discussion focused on ways of electing a president, president's term in office and a constituency system for parliamentary elections.

At that time, No supported the indirect presidential election system, asserting that such a system would help maintain stability, while Ho Sam-su insisted on a direct presidential election system.

Chon, however, chose the indirect election system.

Moves To Make Chon President

Chon and No asked former Defense Minister Kim Chong-yol to persuade then-President Choe Kyu-ha to step down. Kim met Choe several times and Choe finally retired.

At about the same time, then-President Choe told Chon that he would retire, and asked him to assume the post. After hearing about Choe's remarks, No held a dinner meeting for defense minister, Army, Navy and Air Force chiefs of staff, and 1st, 2nd and 3rd Army commanders to tell them that there was no alternative but to make Chon president.

No testified that after the people at the meeting agreed to the recommendation, Chon shed tears and said that he would accept their decision.

Cha Kyu-hon, then-Army capital corps commander, said, "When I arrived at the official residence of the Air Force chief of staff where the meeting was held, I saw a banner hanging on the wall of the corridor in the residence. The banner read 'Let's set Gen. Chon Tu-hwan up as president.'"

That was Aug. 16, more than 15 days before Choe stepped down as president.

No's Abetment for Chon's Presidency

No convened the so-called security consultative meeting for delegates to the national conference for unification on Aug. 7, 1980 at the Capital Garrison Command, where he emphasized Chon Tu-hwan was the country's new leader. "The demeanor of the three Kims — Kim Yong-sam, Kim Tae-chung and Kim Chong-pil — and the harm they have caused to national security are unspeakable," claimed No.

No violated the military service regulation that prohibits soldiers from participating in politics when he appealed to the delegates to actively support Chon "as the leader of new era" during the Aug. 27 presidential election.

No's remarks are noteworthy in that the date of then President Choe Kyu-ha's retirement on Aug. 16 and the subsequent presidential election on Aug. 27 suggest premeditation.

No's Involvement in the Merger and Abolition of the Press

No was making an inspection tour of his subordinate unit in Sokcho, Kangwon Province, on Nov. 12 1980 when he was notified by the secretariat office that then Information Minister Yi Kwang-pyo had brought documents for the press merger and abolition signed by President Chon. After being notified, No hurriedly returned to Defense Security Command by helicopter.

When he arrived at the command at 4 P.M. on the same day, Minister Yi gave No the press documents and asked him to get "waivers" from the press owners. Then No became angry with Yi, saying, "why doesn't your ministry handle it? Why are you trying to make us look like the villain?"

Yi then said, "The president directed me to get the Defense Security Command to cooperate." Moments later, No called his subordinates — Han Yong-won and Kim Chong-u — into his office and told them to "call in the press owners as quickly as possible and do as the president has instructed."

ROK Editorial Criticizes Recent Student Demonstrations

SK0204034796 (Internet) The Digital Choson Ilbo WWW in English 1214 GMT 1 Apr 96

[Editorial: "No More Demonstrations in Downtown"]

[FBIS Transcribed Text] Anytime that one area of Seoul city becomes congested for any reason the entire city as a result becomes paralyzed. Despite this, there are often demonstrations downtown which prevent smooth traffic flow. The demonstrators choose crowded areas to attract attention but this inconveniences citizens terribly.

Are such demonstrations effective? Because of demonstrations people despair as they are stranded for hours, can't reach their destinations or have to change course to get home. Also people are angry because some get hurt or suffer property damage when mobs clash with police. Downtown demonstrations invite traffic hell and adversely affect everyone.

One may express legitimate opinion and even demonstrate when appropriate. It can be personal or done through groups. Whatever the case, it must be done according to law and should force be necessary, it must not result in others being hurt or inconvenienced. It is a contradiction to try to correct irrationality and injustice with disorderly, unlawful and irrational means.

The age of accomplishing one's goals through street fighting is over. Empathy can not be gained through simply expanding the size of one's demand. Demonstrations over school fees should be confined to the campus.

We should raise our awareness concerning modes of debate. Both sides in a squabble should study together how to proceed. Choosing a proper venue where the citizens can freely express themselves vociferously if need be, so that this can be considered when making policy, will elevate our democracy to a new level.

ROK Premier Inaugurates Commercialized CDMA Service

SK0204070696 Seoul THE KOREA TIMES in English 2 Apr 96 p 8

[FBIS Transcribed Text] Commercialization of the digital CDMA [code division multiple access] cellular service was celebrated along with the opening of the information superhighway model service in a ceremony at the Electronics & Telecommunications Research Institute (ETRI) in Taejon yesterday.

Over 400 people attended the ceremony, including Prime Minister Yi Su-song, Information and Communication Minister Yi Sok-chae, Science and Technology Minister Chong Kon-mo, Korea Telecom president Yi Chun, Korea Mobile Telecom (KMT) president So Chong-uk and Shinsegi Telecomm president Chong Tae-ki.

Prime Minister Lee presented orders, medals and citations to 49 persons for their outstanding contribution in commercializing CDMA (code division multiple access) digital technology in mobile phone services and to the model service of information superhighway.

KMT president So was awarded the Order of Industrial Service Merit, Gold Tower and ETRI senior researchers Yi Hyok-chae and Han Ki-chol received Bronze and Iron Towers, respectively, in the CDMA technology division.

In the information superhighway division, ETRI senior researcher Kim Yong-chun was awarded the Bronze Tower, and Pak Hak-song, chief of the Kangwon-to headquarters of Korea Telecom, was given the industrial service medal.

After the ceremony, Prime Minister Lee communicated directly with the president of a primary school in Seoul via CDMA cellular phone and with a housewife at a nearby apartment while watching her through video via the superhighway network.

CDMA technology has been successfully commercialized in a joint development by ETRI, domestic equipment manufacturers and Qualcomm Incorporated of the United States, to meet the growing demand in mobile phone service. The state project began in 1989 and has been developed at a cost of 87 billion won.

Shinsegi, the nation's second cellular service provider, started CDMA cellular service in the Seoul metropolitan area and Taejon yesterday after initially conducting tests since September of last year.

KMT, which started the digital service in Inchon and Puchon Jan. 1 this year, will extend service to the Seoul metropolitan area and Taejon March 12. KMT is currently providing cellular service in analog technology.

The opening of the model information superhighway service at Taedok, Taejon, is a part of the government information infrastructure project. The model service costing 3 billion won works with a superspeed exchange system and optical fiber cables which comprise the superhighway network.

Approximately 400 selected subscribers from ETRI, KAIST (Korea Advanced Institute of Science and Technology), and nearby Hauri apartment complex in the model area will receive digitized newspaper articles and select books from a digitized, library through personal computers at home, via the superhighway network.

The government plans to increase the number of subscribers to 1,000 and to provide medical and educational information as well as videos on demand service by the end of this year. By the end of next year, subscribers are expected to increase to 2,000 and teleschooling and telemedicare treatment will also be provided.

Burma

Burma: Foreign Minister, Delegation Leave for New York

BK0104142796 Rangoon Radio Myanmar in Burmese 1330 GMT 1 Apr 96

[FBIS Translated Text] A Myanmar [Burmese] delegation led by Foreign Minister U Ohn Gyaw left Yangon [Rangoon] for New York by air today to hold discussions at the ongoing talks between the Union of Myanmar Government and the United Nations. The delegation was seen off at the airport by Major General Soe Myint, minister of social welfare, relief, and resettlement; Brigadier Gen. Abel, minister of national planning and economic development; Deputy Foreign Minister U Nyunt Swe; and responsible personnel.

Burma: NDF Statement Urges 'Tripartite Dialogue'

BK0104123696 (Internet) BurmaNet News in English 30 Mar 96

[Statement issued by the National Democratic Front [NDF] on 31 March; place not given]

[FBIS Transcribed Text] It is necessary that the political stand and true aspiration of the nationalities of Burma be known both at home and internationally. It is also necessary that problems be solved by cooperative effort. Therefore we wish to issue the following statement:

1. Burma is a country which has been inhabited by various nationalities since time immemorial. According to the Panglong Agreement, signed on February 12, 1947, all the nationalities have the right to live together on an equal basis in a federation. It was on the basis of this agreement that independence was gained from the British government on January 4, 1948. Therefore, all political solutions regarding the nationalities must be based on these historical facts and the Panglong Agreement.

2. In any negotiations addressing the question of the nationalities, true representatives of the nationalities must be included, and there must be a comprehensive political solution. Only then will lasting peace and genuine national unity be realized.

3. The political situation of present day Burma has not improved, and as a result the economic and social conditions have continued to deteriorate. If a comprehensive political solution cannot be made, it is certain that Burma will slide towards a very dangerous situation. The question of the nationalities and the question of democracy are the main basic problems of the country that cannot be ignored.

4. All of us unanimously support and welcome the 1995 UN resolutions on Burma and we earnestly call upon the UN to effectively actualize these resolutions, especially to involve itself in the realization of a "tripartite dialogue" in Burma, as called for in Resolution No. 6, without delay.

5. We earnestly demand that the SLORC [State Law and Order Restoration Council] cooperates fully with the UN Secretary General as called for in Resolution No. 7. The SLORC should announce a nationwide ceasefire, and agree to and participate in the realization of a tripartite dialogue without delay.

[Signed] Central Executive Committee

National Democratic Front (Burma)

Burma: Myo Nyunt Addresses Convention; Convention Adjourns 31 Mar

BK0104125696 Rangoon TV Myanmar Network in Burmese 1330 GMT 30 Mar 96

[Speech by Lt. Gen. Myo Nyunt, chairman of the National Convention Convening Commission, delivered to the National Convention Plenary Session at the Central Conference Hall at the President's Residence Compound on Ahlone Road, in Rangoon on 30 March — recorded]

[FBIS Translated Excerpt] Esteemed National Convention delegates: I wish you all good mental health and physical well-being. I hope that you will be able to carry out peacefully the national political duty, which is to discuss and make suggestions for a complete and rightful basic principles to formulate a state constitution that is so essential, just as a life is, for the nation and for all of its citizens.

Due to the weaker points and loopholes of the 1947 Constitution that existed in Myanmar [Burma], the unity among the national races was headed for disintegration. One reason for these weak points in the constitution is the influence of British imperialists who once enslaved and oppressed us. Another reason is that the constitution was written hastily, without careful consideration. It is true that time was given to write the 1974 Constitution, but the weak points in the central-planned economic system become obvious when an economic crises struck Myanmar and the world after 14 years. The people were fed up with the one-party political system when they realized that the country was not being developed as they expected. This is why the essence of the 1974 Constitution died with the great political and economic changes.

Presently, the State Law and Order Restoration Council [SLORC] government is working for the basic interests of the country and the people. The basic need of the public is to acquire a complete and peaceful life. The public has a desire to build a new and modern nation with considerable improvement in the economic situation, including the public's economic situation, as soon as possible. The SLORC is practically implementing the public's basic interests — a desire to enjoy a peaceful life and an aspiration for the development — and the delegates have witnessed that. As the SLORC implements the interests of the country, the national races, and the people, it is doing so with a proper scheme. It is neither putting bait where the fish are, nor is it groping in the dark. It is striving to implement these tasks with plans and considerations by clearly outlining 12 objectives.

If we look at the four political objectives — the stability of the state, community peace and tranquility, prevalence of law and order; national consolidation; emergence of new and enduring state constitution; and the building of a new modern developed nation in accordance with the new state constitution — the bottom line is the stability of the state, community peace and tranquility, prevalence of law and order. The importance of this fact was mentioned by Senior General Than Shwe, chairman of the SLORC and commander-in-chief of the defense services, during his speech at Anawa House in Sandoway on 9 March. [passage omitted on Than Shwe's speech covered by second referent]

Esteemed Delegates: The most important political task of the national races and the people in Myanmar is the successful implementation of four political objectives. While implementing and maintaining the stability of the state, community peace and tranquility, prevalence of law and order, the SLORC is also establishing the national consolidation. The success of this objective has become significant in Myanmar history. The third political objective is directly related to us. In our Myanmar, the fundamental changes have to be made in the political system and economic system. This is why it is very important to have an enduring state constitution that is compatible with, and able to properly steer, the reformed political system and economic system. We must be aware of past experiences, and present factionalism, idealism, and the danger of imperialist sycophants and reactionaries.

We must now strive to a create situation in which a future state — one which is genuinely independent with no outside influence — can be established and where the people can decide for themselves. This is why all of our National Convention delegates must continue to strive to obtain the needed detailed basic principles without losing sight of the fruits — the 104 basic principles — that have been obtained at the National Convention so far. Today, we have detailed basic principles on the organization of fourth, fifth and sixth chapters — legislation, executive and judiciary that are out of 15 chapters — in our hands. Concerning these three chapter headings, the delegates must continue to discuss and present the suggestions related to the rights of the union, and individual regions and states. This is the important part to be discussed. How are the rights distributed among the union, regions, and states? The delegates have to objectively consider and prescribe the detailed principles so as to implement the legislation, executive, and judiciary tasks smoothly and with satisfaction and balance. This part is important and it is necessary to acquire the most suitable detailed basic principles for exercising these three powers. To avoid weak points, loopholes, and complexity, the detailed basic principles must be discussed from all aspects.

Esteemed National Convention delegate: The main duty of our National Convention is to lay down the basic principles. The National Convention Convening Commission, NCCC, and the National Convention Convening Work Committee, NCCWC, will conduct surveys and research to cover all aspects so as to acquire the basic principles that endure in our country. I would also like to urge the National Convention delegates to study the issue during the recess. The National Convention will adjourn on 31 March 1996. During the recess, the NCCC and NCCWC will conduct comprehensive research studies and will scrutinize the results to obtain the detailed basic principles on legislation, executive, and judiciary rights for the union, regions, and states. The National Convention will resume after the completion of this research and the preparations related to these detailed basic principles. I hope to see all the delegates in good health when the date for the resumption of the National Convention is announced. I conclude my speech. [applause] [passage omitted] With the permission of the chairman, the session ended at 1450.

Brunei, Malaysia & Singapore

Malaysia

Kuala Lumpur Urges Readjustment of UN Peacekeeping Operations

BK0204093296 Kuala Lumpur Voice of Malaysia in English 0800 GMT 2 Apr 96

[FBIS Transcribed Text] Malaysia believes that United Nations peacekeeping should not become the exclusive preoccupation of a small group of countries which have a financial (?problem).

Foreign Ministry Secretary General Tan Sri Ahmad Kamil Jaafar says that, among other things, it might need redefining and reshaping. The end of the Cold War and the realities that followed have necessitated the complete relook at the UN peacekeeping operations.

Tan Sri Ahmad Kamil was opening the ASEAN Regional Forum, ARF, intensive special meeting in Kuala Lumpur. He added that the world was now entering a new era of multinational forces, also undertaking peacekeeping operations. This is the case with the Implementation Force which operate under NATO command in Bosnia-Herzegovina. Such operations were financial strains on the countries concerned, especially the smaller ones.

Malaysia: Mahathir, PNG's Julius Chan on Economy, Investment

BK0204093796 Kuala Lumpur RTM Television Network 3 in Malay 0530 GMT 2 Apr 96

[FBIS Transcribed Text] Malaysian investors have been urged to increase their investments in Papua New Guinea [PNG] in sectors other than forestry and agriculture. Foreign Minister Datuk Abdullah Ahmad Badawi said the PNG Government has expressed its ability to settle any difficulties arising from new investments.

[Begin recording] [Unidentified reporter] Prime Minister Datuk Sri Dr. Mahathir Mohamed received his PNG counterpart Sir Julius Chan at his office in the Prime Minister's Department.

During the two-hour meeting, the two countries agreed to facilitate the issuance of landing rights for direct flights between Kuala Lumpur and Port Moresby. The PNG Government showed interest in emulating Malaysia's economic development.

According to Datuk Abdullah, Datuk Sri Dr. Mahathir welcomed the idea and expressed his interest in actively participating in PNG's development programs.

The PNG Government assured Malaysia of investment security and pledged to facilitate its investment in PNG.

[Abdullah] Malaysia can play an important role in the development of minerals, petroleum, and gas as well as agriculture, all of which are important sectors.

[Reporter] According to Datuk Abdullah, the PNG Government hopes Kuala Lumpur will train its officials in economic development planning. The Economic Planning Unit has agreed to train PNG officials under the MTCP [Malaysian Technical Cooperation Program]. [end recording]

Malaysia: Farm Minister Affirms Safety of Imported Beef

BK3103130296 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 31 Mar 96

[FBIS Translated Text] Agriculture Minister Datuk Amar Dr. Sulaiman Daud has given his assurance that the beef imported by the country is free from mad cow disease and is safe for consumption. Imported beef is examined by the Veterinary Services Department before being issued a health certificate. Dr. Sulaiman gave the assurance after many people were reluctant to buy imported beef out of fear that it was not safe for consumption. He said the government banned the importation of beef and beef products from the United Kingdom in March 1994, when mad cow disease was first detected.

He was speaking to reporters after inaugurating the Agriculture Department's Family Day at the Bukit Cahaya Agricultural Field at Sri Alam in Shah Alam, Selangor.

Dr. Sulaiman said the government would continue to ban the importation of beef from the United Kingdom until it is convinced that the mad cow epidemic has been fully checked.

Malaysian Navy Detains Vietnamese Fishing Trawler

BK2903125896 Kuala Lumpur WATAN in Malay 29 Mar 96 p 8

[FBIS Translated Text] Kuala Terengganu, 28 Mar — The Royal Malaysian Navy detained a Vietnamese fishing trawler yesterday with 12 Vietnamese fishermen on board for violating the national maritime boundary.

Johari Ramli, director of the Terengganu State Fisheries Department, said that the detention was the first action taken against a Vietnamese fishing vessel in Malaysian waters this year.

He said the fishermen were detained at around 1300 by the Navy patrol boat KD [Royal Vessel] Badik approximately 120 nautical miles off the Kuala Terengganu coast. He added that they had been caught in the act of lowering their nets.

Johari said the fishermen were currently being detained at the Cendering Police Station while their vessel is being towed to the port at Cendering. They will be charged in court on Saturday.

Malaysia Airlines Expands Kuala Lumpur-Ujung Pandang Route

BK0204042796 Kuala Lumpur BERITA HARIAN in Malay 2 Apr 96 p 20

[FBIS Translated Excerpt] Malaysia Airlines [MAS] is increasing its air services between Malaysia and Ujungpandang, Sulawesi by including Johor Baharu in its Kuala Lumpur-Ujungpandang route.

In a statement issued in Kuala Lumpur yesterday, MAS said that twice-weekly flights will be operational from today [2 April] using B737-500 aircraft, with a stopover at Johor Baharu before taking off for either Kuala Lumpur or Ujungpandang.

The flights are scheduled for Tuesdays and Fridays. [passage omitted]

Singapore

Singapore: Lee Hsien Loong, Croatian Minister Meet

BK0204055096 Singapore THE STRAITS TIMES in English 30 Apr 96 p 25

[Report by Susan Sim]

[FBIS Transcribed Text] Singapore can be an air hub for Catholic pilgrims travelling from Asia to the holy site of Medjugorje, Croatian Deputy Prime Minister Mate Granic said yesterday.

Many of the pilgrims came from the Philippines and could fly direct from Singapore to Zagreb, the capital of Croatia, and then to the site, which is in neighbouring Bosnia, in an area dominated by Roman Catholic Croats.

Medjugorje has attracted more than 20 million pilgrims from all over the world since 1981, when six boys and girls said the Virgin Mary appeared to them on a hilltop in a flash of blinding light.

"Singapore can be the best place as the main airport for the pilgrims," said Dr. Granic.

Croatia Airlines was planning direct flights to Singapore from Zagreb and then on to Australia. It was negotiating an agreement for jet planes with Boeing and Airbus and should be ready to begin flights next year, he added.

He said that he had initiated talks on an air services agreement with Singapore at his meeting with Deputy Prime Minister Lee Hsien Loong yesterday, and was optimistic an agreement would be signed some time this year.

He had also proposed agreements on economic cooperation, the avoidance of double taxation and protection and promotion of investment.

Learning from Singapore's experience in handling foreign investment was another objective of his seven-member delegation, he said. This is his first official visit here.

"I have a very good impression of Singapore. You have a very good, organised country, and it is easy to see that you know what you want."

On the sectors for economic cooperation, he cited tourism, the chemical and pharmaceutical industries, high quality electronics, port management and shipbuilding areas in which Croatia had traditionally been strong before the civil war began five years ago.

Dr. Granic, who is also Croatia's Foreign Minister, also gave an update on peace developments in the Balkan states at a press conference yesterday. He said that there were still problems in implementing the Dayton peace accord, but was optimistic that Croatia would be able to reintegrate the last part of its territory seized by the Serbs by the end of the year.

He was also confident that Croatia would become a full member of the Council of Europe in May, taking it one step closer to eventual integration with the European Union. It had also applied for membership in NATO's Partnership for Progress.

"But Croatia also wants to develop good friendly relations with the other ASEAN countries and to learn from your experiences," he said. Dr. Granic, who visited Indonesia and Malaysia before coming here, leaves for Bangkok today.

Cambodia

Cambodia: Negotiators Taken Prisoner by Briton's Kidnappers

BK0204041596 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 1-2 Apr 96 pp 1, 2

[FBIS Translated Text] General Khan Savoeun, commander of the 4th Military Region, said that according to information he had received, the two hostages — Briton Christopher Howes and his Cambodian translator, both working for MAG (Mines Advisory Group) — had probably already been moved to the Khmer Rouge base of Anlung Veng under Ta Mok's control.

In their efforts, the provincial authorities of Siem Reap in cooperation with the army and police forces sent three villagers to negotiate their release, but all three were taken prisoner by the Khmer Rouge.

"Things apparently have not gone as we expected. I am very concerned for their lives," Khan Savoeun told local and foreign journalists.

"Since this incident began, we have dispatched our men to form a loose cordon around the area to prevent them from slipping away so that we can make contacts and hold talks... We dare not use force for fear of the hostages' safety," added Khan Savoeun.

According to information provided by the Angkor Thom District police, after seizing the hostages the Khmer Rouge kidnappers took them to Changkran Roy mountain, 48 km northwest of Siem Reap town. Initially they demanded a 100,000 baht ransom for each hostage but then, for no reason at all, they also took the negotiators prisoner.

Meanwhile, in their attempt to free the hostages, two policemen from the special task force got themselves killed when they stepped on land mines.

Khan Savoeun also complained that these MAG deminers did not contact the local army units when they came to conduct a demining operation in Svay Chek commune of Angkor Thom District.

Rit, one of the six deminers who managed to escape, revealed that the Khmer Rouge who surrounded them wore an assortment of uniforms. There were about 30 of them and they were all armed with diverse weapons, including four B-40's. After they emerged from the bush, the Khmer Rouge pointed their guns at the deminers and demanded that they take off all their valuables and hand them over. They said: "You must be sent for reeducation." One of the armed men, apparently their leader, was constantly talking into a walkie-talkie.

An army officer in charge of the investigation who asked for anonymity revealed that according to recent intelligence and information given by rebels who had defected to government side, Ta Mok had ordered his men to kidnap foreigners and deminers before Cambodia's traditional new year in a bid to destabilize the situation at a time when the Khmer Royal Armed Forces are launching their operations to recapture Pailin town and Preah Vihear temple from the Khmer Rouge.

According to the latest news, the KRAF are now positioned only 1 km from Preah Vihear temple.

Cambodia: Hun Sen Warns Against Constitution Meddling

BK0104163796 Phnom Penh National Radio of Cambodia Network in Cambodian
1300 GMT 1 Apr 96

[Speech by Cambodian Second Prime Minister Hun Sen at a stone laying ceremony at Sla Kaet Monastery in S'ang District, Kandal Province on 1 April — recorded]

[FBIS Translated Excerpt] [Passage omitted] My hair is getting white; it is getting white too early. I hope that I will live a bit longer, though. An astrologer has predicted that after the age of 46 I will be out of danger. So let us see. There are people who like to hound me. I do not know what it will be like. A prediction is one thing. This astrologer was Chinese, from Hong Kong. He said from 46 onward it would be alright. I am now turning 46. Well, this is my official age. According to my unofficial age I am only 45. So there is a problem. Taking into consideration the beginning and the end of the year, I am 46. I was born in the Year of the Dragon.

Whatever the situation — if politicians quarrel among themselves or get along with one another — I hope that our compatriots — the clergy and grandfathers and grandmothers — will stay calm. Please stay calm. I still believe, as I said in Svay Rieng, that whatever party is in power in Cambodia it cannot stop you from remaining farmers working the land. Peasants will remain peasants, farmers will remain farmers, and tricycle drivers will remain in the same job. Do not believe those people.

S'ang District used to be the constituency of Khieu Samphan. I am not sure but this is my understanding. When they come, people's representatives say that once they are elected they will build roads for you. You have been without roads since then. Who came after Khieu Samphan? Between 1970 and 1975, who else? You are still without roads. In 1993 many people made promises in S'ang. If all the promises from all 20 parties were kept, Cambodia would have developed very fast — like a MiG jet, not like an An-24. Soon after the election, however, these guys disappeared. A beware of dog sign is at their gates. They cannot be reached. So do not entertain any hope.

Thus, if politicians quarrel with one another today, they could reconcile tomorrow. What can be done? It is politics. The people, however, should not be divided into groups — one at the start, one in the middle, and one at the end of the village. Please do not do this, compatriots, please do not. If they quarrel, we should think only about irrigation canals, transplanting rice, and growing beans and corn; about our cooking pot. Do not get involved. Teachers should go to teach children. Do this. Let politicians be themselves.

I am so bored with this. I have said that I have gone into a crab hole. Whoever wants to do anything, go ahead. I ask only one thing: Please do not destroy. Do not destroy the Constitution; do not touch the Constitution. Once you do this, Hun Sen will come out of the crab hole and attack you. Please be informed. If you dare stage a coup to destroy the Constitution, I will act. This is it, because the Constitution is not there for you to destroy. The Cambodian people have created this Constitution. The international community has spent $2 billion to set up this Constitution. As a prime minister and a co-commander of the Army, I will not let anyone destroy the Constitution. I will not get involved in petty conflicts published in newspapers. I will not get involved in these. When the Constitution is destroyed, though, I will come out of my hole because the Constitution belongs to all of us. No one has the right to destroy it.

Concerning the chapter dealing with the king, even the National Assembly cannot make any amendments. As for clashes among politicians from this or that party, compatriots, please be understanding. I will not get involved in these. People can say whatever they want. This is it. I will concentrate on work. The government is dealing with day-to-day business. The prince krompreah [First Prime Minister Norodom Ranariddh] and I are working normally. I will ignore other things about political parties. Whatever politicians do — whether they get along with one another or quarrel among themselves — you, at the bottom, please just carry on with your work. Whatever party wins, you will still be working the land. You will remain in your present work. If we all became officials and ministers, who would farm? This is the issue.

What you should be thinking about is this: What party gives us canals, has saved us, builds bridges for us, and helps us? Talking about people's representatives or individuals, choose those who do good work, dig canals, and build bridges and schools. The same goes for the selection of commune heads. Consider whether a commune head is only good at boasting and lying or is good at building. Choose on this basis. That is enough. I am not campaigning, but there are many things to talk about.

Some people talk about other things; atomic matter, for example. Perhaps we will all go the moon if these people win. No, Cambodians will remain Cambodians, working the land. There is no escape. The difference is that the rice field that used to produce only 1 ton should be made to produce 3 tons. Who will help make this happen? The rice fields used to be deprived of water. Who will help provide water? Just think about this. If people are only good at talking and writing, please do not listen to them. Mark them well and write them off. This happened in 1993. We know that Khieu Samphan was the people's representative here. What did we get? I was only a teenager then. Only now, in my 40's, can I help people in S'ang.

This is not the constituency in which I will stand for election. Some have said that Hun Sen is doing all this for the 1998 election. No, I am not doing all this for votes in S'ang District. I will stand in a destitute constituency. I have set up enough infrastructure here. Let others stand in this constituency. I will go to a poor area to make people there realize that I will do things for them once I get there. I am not a person who makes promises; I am one who does things. I am not trying to win votes in S'ang.

Others have said that my wife distributes aid here and there with the intention of running for election. I declare this: If my wife dares to run as a politician, we will be immediately divorced. My wife did all this distribution only to alleviate people's poverty. Lady, do not go into politics. Try it and we will be divorced. [passage omitted]

I will not let my wife and children get involved in politics. The other day, one of my sons — 14 years old — telephoned his mother. He was reading a newspaper in France. Then he went to the United States. He was studying. He was on vacation for 15 days. He was sent to study English in the United States. He met his brothers there. He called his mother and talked about (?how fast) the situation is evolving and said he wanted to set up a leadership circle among his brothers. His mother shot back: No, no. Your father will not let you do this. [passage omitted]

If people are in conflict in Phnom Penh, we should not quarrel in S'ang or Traeuy Sla. Play a music cassette and dance the Roamvong [popular Cambodian dance]. Dance the Roamvong at the new year and on 7 January. Those who do not want to, it is up to them. We will do it because we are alive because of 7 January. Those who oppose 7 January, let them go to work. If they dare, let them go to work. Those who enjoy 7 January, let them dance because it is a day off from work; 7 January cannot be changed. If this is changed, I would like to stage a demonstration and ask the people who support 7 January to demonstrate. This will be an exercise of the 7 January forces; not a demonstration, but an exercise of the 7 January forces. [passage omitted]

Cambodia: Thai Daily Notes Political Parties' 'Struggle for Power'

BK0104131296 Bangkok SIAM RAT in Thai 1 Apr 96 p 2

["World That Has No Choice" column: "FUNCINPEC and a Precarious Future"]

[FBIS Translated Text] The current political situation in Cambodia is worth watching, especially the struggle for power within the Cambodian Government that has been sparked by rivalry between the two main political parties — the FUNCINPEC [National Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] and the Cambodian People's Party [CPP].

The FUNCINPEC is headed by Prince Norodom Ranariddh, son of King Norodom Sihanouk, while the CPP is led by Hun Sen. Hun Sen and Prince Ranariddh are co-prime ministers. Most observers felt that having won the UN-supervised general elections in 1993, the FUNCINPEC should have held a commanding status in the national administration over the coalition partners, particularly Hun Sen's CPP. In reality, however, it is the CPP that holds administrative power.

A serious dispute erupted last week when the FUNCINPEC, unhappy with the CPP's spread of administrative power to the local areas, threatened to withdraw from the government if the CPP did not honor the agreement that was reached after the 1993 election on joint administrative power to equally distribute local administration power. Hun Sen reacted to the FUNCINPEC threat by demanding an apology for his party before considering a FUNCINPEC demand.

The FUNCINPEC is well aware that the CPP has been gaining power, this was seen by Hun Sen's ruthless measure against Prince Norodom Sirivut who has been his constant detractor. Sirivut's forced political asylum in France amounts to a fearful victory by Hun Sen and demonstrates the fearsome power of the CPP in the eyes of the FUNCINPEC.

The CPP reportedly has spread its administrative power throughout local areas of Cambodia, including in police and military establishments. The FUNCINPEC recognizes the situation and fears that Hun Sen may seize administrative power in the whole country. Prince Ranariddh's verbal criticism demonstrates such fear and his concern of the situation.

Hun Sen is viewed by many as a masterful political planner. His spread of power to the local areas is aimed at creating a power base to facilitate his acquisition of administration power. Having fought Hun Sen before, King Sihanouk — the most important person in Cambodia — recognizes Hun Sen's political prowess, potential, and skills. Sihanouk acted to elevate Prince Ranariddh's political status by making him the heir in order to strengthen the latter's hands against Hun Sen.

Another interesting development is the Khmer Nation Party of Sam Rangsi. Sam Rangsi is a progressive politician and a former opponent of the Cambodian Government. The Cambodian Government has tried to control Sam by discouraging the formation of the Khmer Nation Party. The government said the party must wait until a new election law comes into effect, prior to the next election before forming a legal party, this would, in effect, bar the party from the 1998 election. This is an effort to obstruct Rangsi's party from a chance for power in the future, because Rangsi's party reportedly has some 80,000 members throughout the country. In the current situation, the FUNCINPEC's scheme against Rangsi's party endangers itself because it is neglecting a tool that could take votes away from Hun Sen's party in future elections.

The FUNCINPEC, therefore, is now in a precarious situation and must come up quickly with a new strategy against the CPP, or it risks falling into the position of waiting for eventual political demise at the hands of Hun Sen's party.

Indonesia

Indonesia: Fate of Hostages in Irian Jaya 'Uncertain'

BK0204073396 Jakarta ANTARA in Indonesian 0703 GMT 2 Apr 96

[FBIS Translated Text] Jayapura, 2 Apr (ANTARA) — The fate of 11 members of a WWF [Worldwide Fund for Nature] research team, who have been taken hostage by a security disturbance movement [GPK] group led by Daniel Yudas Kogoya and Kelly Kwalik in the hinterland of Mapnduma Village since 8 January 1996, remains uncertain [words indistinct].

When contacted by ANTARA in Jayapura on Tuesday, Infantry Colonel Maulud Hidayat, head of the Information Service of the Trikora 8th Military Region Command, admitted that the command has been unaware of any plans to release the innocent hostages.

The International Committee of the Red Cross [ICRC], which represents the Armed Forces of the Republic of Indonesia [ABRI], is continuing efforts to secure their release by making contact with the GPK group led by Kogoya and Kwalik.

Contact between an ICRC team and the GPK is proceeding well. Hopefully, their contact will be fruitful, the head of the information service said.

Meanwhile, reports from Wamena say the Wamena-based ICRC team has been in Timika for a week.

The ICRC has made contact with the GPK by helicopter belonging to [name indistinct] Airlines. The helicopter bears the ICRC logo.

Although Kwalik and Kogoya is obstinately holding the 11 members of the WWF research team, the ABRI has not launched a military operation and is instead adopting a persuasive approach to the crisis.

The presence of the ICRC team in Timika prompted serveral reporters to go to Oima, which is close to the hostage site, because they believed that hostages would be released there. Abraham Wanggai was released there some time ago.

Indonesia: Minister on Trade Problems With U.S., EU, Japan

BK0204102096 Jakarta KOMPAS in Indonesian 2 Apr 96

[Unattributed report — received via Internet]

[FBIS Translated Text] Jakarta, KOMPAS — Indonesia's textile and garment exports to Japan, the United States, and the EU are facing problems. THe United States and the EU has accused Indonesia of dumping, while Japan has imposed restrictions on the import of garment and several commodities from Indonesia.

Industry and Trade Minister Tunky Ariwibowo disclosed this to reporters after meeting President Suharto at the Bina Graha Presidential Office in Jakarta on Monday (1 April). The industry and trade minister reported on Indonesia's trade with the United States, Japan, and ASEAN members to Suharto.

"Indeed, we have problems with the United States and we are discussing the dumping charge with them," Tunky said.

According to the minister, the U.S. Government will amend its policy on certificates of the origin of goods imported by the United States, particularly textiles, in July 1996. "We are discussing the matter because it will have an impact on our exports," he said.

He added: "We are discussing our problems with Japan as well. Restrictions on garment imports and tariffs on some of our commodities exported to Japan have been discussed."

According to Tunky Ariwibowo, Department of Industry and Trade officials are settling a trade problem with the EU, mainly on textile, bicycles, and footwear. The EU has accused Indonesia of dumping.

The minister also reported to Suharto Indonesia's trade balances with the United States, Japan, and ASEAN members in the first 11 months of 1995.

He said Indonesia's nonoil and nongas exports to the United States reached $5.18 billion (about 11.9 trillion rupiah) in the first 11 months of 1995, which represented an increase of about 9 percent from 1994. Meanwhile, Indonesia's imports from the U.S. reached $4.29 billion — 37 percent higher than in 1994. Therefore, Indonesia enjoyed a surplus of $0.89 billion.

With Japan

Indonesia's nonoil and nongas exports to Japan was $6.07 billion in the first 11 months of 1995, which represented a 20-percent increase from the previous year. Its nonoil and nongas imports from Japan meanwhile, amounted to $8.5 billion in the first 11 months of 1995 or an increase of 23 percent over the previous year.

"We suffered a $2.4 billion deficit with Japan...a trade deficit involving only nonoil and nongas commodities. Please don't misunderstand...our trade balance with Japan as a whole is still good," Tunky Ariwibowo said.

According to Tunky Ariwibowo, Indonesia enjoyed surpluses in its trade with all fellow ASEAN members except Thailand.

Indonesia chalked up a $1.3 billion trade surplus with Singapore. Bilateral trade volume has already reached $5.4 billion. With Malaysia, Indonesia has a $183-million trade surplus, with the trade volume reaching $1.6 billion. The trade volume with the Philippines meanwhile, amounted to $559 million, with Indonesia enjoying a $405 million surplus.

However, Tunky Ariwibowo said Indonesia suffered a $38-million trade deficit with Thailand, with whom the trade volume amounted to $1.33 billion. Indonesia's exports to Thailand hit $652 million, while its imports was $690 million in 1995.

On domestic trade, Tunky Ariwibowo said the Department of Industry and Trade is studying the formulation of a chart on the distribution of important commodities. "The chart will support the planning of a national distribution system so that the government will overcome upheavals more easily," he said.

He added the chart will enable the government to know the types and quantity of commodities and their distribution system.

The industry and trade ministry also reported to the president on the meeting between the Department of Industry and Trade and the Indonesian Retailers Association. The meeting dealt with the retail business. "Of course, it was related with our efforts to reduce the imports of consumer goods," he said.

Asked whether his talks with the president on trade with Japan and the United States touched on the automobile issue, Tunky Ariwibowo simply said: "Yes, but you know the matter has been tackled."

Pressed to comment further on the issue as far as Japan and the United States are concerned, Tunky Ariwibowo simply said: "Well, let's not discuss the matter now. The matter has been widely covered by the mass media. Let's wait and see!"

Indonesia: Garuda Launches Surabaya-Kuala Lumpur Flight

BK0204012596 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 2 Apr 96

[FBIS Translated Text] The number of air passengers to Surabaya has been increasing substantially each year. A number of foreign airlines have therefore been competing in cooperating with Garuda Indonesia, the national carrier, to fly passengers to the city. Garuda Indonesia General Manager Iriansyah Antemas made his assessment when he witnessed Garuda Indonesia's inaugural flight from Surabaya to Kuala Lumpur.

The number of passengers from Kuala Lumpur's Subang Airport and Singapore's Changi Airport has been increasing rapidly each year.

Passengers from Kuala Lumpur to Surabaya are the third largest group entering Indonesia, representing an average 26 percent of the total number of passengers entering the country each month.

Iriansyah Antemas added that the number of Kuala Lumpur-Jakarta flights will be increased in view of Malaysia's economic progress. Malaysia needs big-bodied aircraft to export its electronic products.

Laos

Laos: DPRK Party Delegation Arrives for One-Week Visit

BK0204095496 Vientiane KPL in English 0946 GMT 1 Apr 96

[FBIS Transcribed Text] Vientiane, April 1 (KPL) — A delegation of the External Relations [Committee] of the Workers' Party of Korea led by its head, Mr. Hyon Jun Guk, arrived here on March 31 for a one-week visit to Laos.

The visit is within the framework of the 1996 cooperation between the Lao People's Revolutionary Party and the Workers' Party of Korea.

Welcoming the delegation at the airport were Mr. Somsavat Lengsavat, member of the LPRP CC [Lao People's Revolutionary Party Central Committee], acting head of the External Relations Board of the Lao Party CC, and the minister of foreign affairs, and the ambassador of the Democratic People's Republic of Korea, Mr. Kim Ung Cho.

Laos: Foreign Minister Meets SRV Drug Supervision Group

BK0204094096 Vientiane KPL in English 1007 GMT 1 Apr 96

[FBIS Transcribed Text] Vientiane, March 30 [date as received] (KPL) — Lao Foreign Minister Somsavat Lengsavat on March 28 received here the visiting delegation of the National Committee for Drug Supervision and Control of Vietnam, led by its vice president Phan Thanh Xuan.

The Lao foreign minister welcomed Mr. Phan Thanh Xuan and his delegation, saying that the visit would contribute to the strengthening of the relations of friendship and cooperation between the two countries' committees for drug supervision and control, and on the national level the visit would help reinforce the long-standing ties of special solidarity and all-round cooperation between Laos and Vietnam.

Mr. Phan Thanh Xuan informed the Lao foreign minister about his delegation's activities in Laos, particularly the result of the talks with his Lao counterpart.

Laos: Minister Receives SRV Drug Suppression Group

BK0204093496 Vientiane KPL in English 0944 GMT 1 Apr 96

[FBIS Transcribed Text] Vientiane, April 1 (KPL) — Minister to the Prime Minister's Office Khamsai Souphanouvong on March 30 received here the delegation of the National Committee for Drug Suppression and Control of Vietnam, led by its president Phan Thanh Xuan.

On this occasion, the guests and the host discussed various issues, including those on drug suppression and control between the two countries. The talks were aimed to strengthen and expand the friendly relations and special solidarity between the two countries on the whole and between the two committees for drug suppression and control in particular.

Laos: New Laws Set Guidelines for Foreign Investment

BK0204042996 Bangkok BANGKOK POST (INSIDE INDOCHINA Supplement) in English 2 Apr 96 p 1

[Report by Phanrawi Tansuphaphon: "Laos Safeguards Resources"]

[FBIS Transcribed Text] Vientiane, Laos will introduce a new laws this month to improve the management of forestry, land and water resources.

The National Assembly will approve the bills at its next session beginning mid April, according to Agriculture and Forestry Minister Sisavat Keobounphan.

The government wanted the laws in place, although some international organisations suggested it was in a hurry, especially with the forestry law, a Laotian law expert said.

The forestry law might not be up to international standard but was drafted thoroughly and accepted by the public, said the expert, who declined to be named.

The laws would be aimed at effectively managing and protecting natural resources and as guidelines for countries and international organisations helping Laos.

The World Bank intended to help conduct a land survey for Laos, and the laws had to be in place first, he said. They would also avert land disputes and problems of trespass.

Laos studied similar laws in Thailand, Vietnam, China, Sweden, New Zealand, Japan and Australia to determine its own model.

The government planned to pass the forestry law late last year after completing the draft in 1989, but problems delayed the process, the expert said.

The Agriculture and Forestry Ministry would oversee the forestry and the water resources laws, while the Finance Ministry would be responsible for administering the land law, he said.

Chaleun Yiapaoheu, a member of the National Assembly, told INSIDE INDOCHINA that local people would represent the government in looking after natural resources.

The laws provide for each Laotian to receive from the government about 1,000 square metres of land for building a house, one hectare for agriculture and two hectares for trees. However, final figures would be debated by the assembly, Mr. Chaleun said.

An observer of Laotian affairs said the land law, the most important, would give all Laotians equal opportunity to land, but the property could not be transferred by selling or renting it to a third person.

Mr. Chaleun said the assembly would consider whether youngsters under 18 years old would have the right to own land under the new law.

If people wanted more land they could rent it from the government, he said, although the government could reclaim it if it was not developed for three years.

The law barred anyone from using land for anything other than its designated category such as using farm land to plant trees.

Foreign investors could rent land from the government for 30 years, while embassies could either rent for 99 years or exchange sites with the Laotian government.

The law expert said Laotians who fled the country during the Indochinese conflict would have no right to receive back their land. This aspect was covered by the constitution issued in 1991. The forestry law will cover:

— Protected forest totalling 9.5 million hectares which safeguards water resources and guards against natural disasters. This is the most important category;

— Reserves of 3.6 million ha with significance in terms of history, culture, tourism, the environment, education and scientific tests;

— Productive forest of 1.2 million ha used for timber;

— Restored forest intended to be used for productive purposes or retained in its natural state; and

— Preservation of decaying forest that is home to animals and other plants.

Restored and decaying forest total about 2.8 million ha.

A Forestry Department official said his agency would reduce its role in planting the trees and encourage villagers to take on this task. The government would set up a fund to preserve water resources and develop forests.

Three international organisations, Swedish International Development Agency, the Global Environment Facility and the Japan International Cooperation Agency, were interested in helping the fund, the official said. Some of the money would come from selling electricity to Laos' neighbours.

About 11 million ha or 47 percent of Laos is forested. Felling stopped 10 years ago, allowing the area to spread. The government aims to increase the area to 70 percent by relocating people away from forest areas, according to the official.

The forestry law draft allows people to cut and sell wood on their land, providing they inform officials first.

Construction obstructing natural waterways would be banned, along with housing and logging in watershed areas.

Laos: Lao-Star Satellites Company Inaugurated

BK0204094196 Vientiane KPL in English 1015 GMT 1 Apr 96

[FBIS Transcribed Text] Vientiane, March 30 [date as received] (KPL) — The inaugural ceremony of the establishment of the Lao-Star Company was held on March 28 at the Lan Xang hotel.

Prof. Bountiam Phitsamai, deputy-minister to the Prime Minister's Office and president of the Executive Council of the Lao-Star Company said that last year, the Lao Government initiated a policy on telecommunication networks through satellites, which will also develop the broadcasting and information infrastructure as well as accelerate the country's socio-economic development.

He said the Asian Broadcasting Communications Network Public Company Limited (ABCN), one of the expert enterprises in telecommunication through satellites, then responded to the government's policy by proposing the project for joint venture Lao-Star satellites which will provide a fully-integrated multi-media network through satellites covering services on broadcasting, newspaper publishing and digital data communications services in the Lao PDR [Lao People's Democratic Republic] and in the Asia-Pacific region.

As a result, the Lao Government and the Thailand's ABCN on November, 1995, signed a contract for the Lao-Star satellite development project, which laid the foundation for the establishment of the Lao-Star Co., Limited. The Lao Government holds 20% of the shares and the ABCN 80%, with an investment period of 30 years.

On November 3, 1995, bidding process was conducted in Bangkok and on March 26, 1996, a contract was signed in Hong Kong at a cost of U.S. [$]500 million with three partner companies winning the bid.

The three companies, U.S. Space System/Loral (SS/L), French Arianespace, and Canadian Telesat, will undertake the construction, launch, programme management, and financing for the two satellites.

The SS/L will be responsible for the construction of the two satellites and the Arianespace will provide the launch vehicle which will place the satellites in geostationary orbit in an orbital slot granted to the Lao PDR under the international telecommunications union agreements.

The Telesat will be the programme manager for the monitoring of the whole Lao-Star programme to guarantee the success of every stage in its development.

The Lao-Star 1 is planned to be launched in December 1997 and to be fully operational by early 1998, and the Lao-Star 2 is expected to be launched in by the end of 1998.

The two satellites are expected to enable the multi-ethnic Lao people to have broad and fast access to information and to facilitate the telecommunication domestically and internationally. More importantly, they will assist human resource development.

Present at the ceremony were Mr. Khamsai Souphanouvong, minister to the Prime Minister's Office and a number of ministers, deputy-ministers, and guests.

Philippines

Philippines: ASEAN Approves Industrial Cooperation Scheme

BK0204021796 Manila BUSINESS WORLD in English 2 Apr 96

[Report by Ma. Clarissa S. Batino — received via Internet]

[FBIS Transcribed Text] The Association of Southeast Asian Nations (ASEAN) has approved in principle the adoption of the ASEAN Industrial Cooperation (AICO) scheme meant to extend the coverage of resource pooling to other industries and even serve as an accelerated Common Effective Preferential Tariff (CEPT). The program will be signed by ASEAN economic ministers on 27 April.

In the Philippines, it will be the Board of Investments (BoI) that will undertake the processing of application of companies wanting to avail of the scheme that will grant a tariff preference ranging from 0 to 5% aside from local content accreditation and other non-tariff incentives. BoI officials said a company operating within the ASEAN bloc must maintain a minimum 30% national equity which can only be waived with at least 40% cumulative equity of other ASEAN firms, an export provision of at least 50% of the output, and pioneering in any process of production.

Manila Determined To Evict PRC From Mischief Reef

BK0204021296 Manila BUSINESS WORLD in English 2 Apr 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] The thought of success seems far-fetched at the moment, but the Philippine Government is determined to kick out the Chinese from Mischief Reef to regain its sovereignty even if it means endless discussions with Beijing. "You don't put time tables on matters like these. You need to be patient. We need to keep talking about this problem until a solution in context is found," Foreign Affairs Undersecretary Rodolfo Severino told BUSINESS WORLD. Both sides have been threshing out their differences over the Mischief Reef issue but nothing substantial has been achieved so far. Beijing continues to occupy Mischief Reef and has shown no signs of dismantling its military structures in the area.

Manila, on the other hand, continues to protest the presence of Chinese elements in what they believe is part of Philippine territory. "Mischief Reef is the only glitch in our relations with China because its very close to us. After all of these confidence-building measures, they'd (Beijing) do this (occupy Mischief Reef) to us," Mr. Severino said.

Philippines: Police Uncover Plot To Assassinate MNLF Chairman

BK0104045896 Quezon City Radio Filipinas in English 0230 GMT 1 Apr 96

[FBIS Transcribed Text] A 5 million peso contract [words indistinct] Moro National Liberation Front [MNLF] chair [Nur Misuari] has been [word indistinct] by Marcos loyalists to supposed to [word indistinct] settlement between the government and the Moro National Liberation Front. This was contained in a police intelligence report obtained by the newspaper, EMPIRE. The reports said that the assassination plot was hatched by a traditional politician, colonel in association with the [word indistinct] Ferdinand Marcos, and retired and active Marcos loyalists, officers, and men.

[Word indistinct] of 10 million pesos bounty was raised by a prominent politician in western Mindanao in collaboration with a retired army major general who used to be a key official of the Military Southern Command during the Marcos regime.

The two-page report said two army majors, both Muslims, were contracted to assassinate Misuari, the officers [words indistinct] also be in the spate of bombings that (?wrecked) Zamboanga City early last month. A report dated 26 March said, and we quote: The bombing operations were allegedly intended to create a climate of public disorder, which will be blamed on the MNLF, and most importantly, to derail the government's peace initiatives with the Moro National Liberation Front—end of quote.

Thirteen people were injured during a series of explosions in Zamboanga City on 10, 11, 13, 16 March. Bombed were the Saint Joseph Cathedral, Claret School, Ateneo de Zamboanga, Immaculate Conception School and the south industrial [word indistinct]. According to the police intelligence reports, the mission to kill Misuari was to be supervised by a two [word indistinct] army majors [word indistinct] assigned in Zamboanga City in [words indistinct] Defense Command.

Philippines: Police Chief Denies Plot Against MNLF Chief

BK0204010696 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 1 Apr 96

[FBIS Translated Text] Philippine National Police Chief Ricaredo Sarmiento has strongly denied reports of an alleged assassination plot against Nur Misuari, the Moro National Liberation Front chairman. Yesterday's newspapers carried reports that a group of Marcos loyalists had raised 10 million pesos to have Misuari assassinated. The loyalists are allegedly against any peace talks in Mindanao. According to Sarmiento he has not received any reports on this matter.

[Begin recording in English] [Sarmiento, in progress]...We have not received any reports or any information about this alleged bombing incident in Zamboanga City, [pause] link to the plot to assassinate Misuari. We have not received any information about the matter. [preceding sentence in Tagalog]

[Unidentified correspondent] You have plans to investigate [passage indistinct]

[Sarmiento] I have told my director of intelligence to look into this report. [end recording]

Philippines Police To Stay on 'Red Alert' During Holy Week

BK0204021596 Manila BUSINESS WORLD in English 2 Apr 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Philippine National Police (PNP) chief Director General Ricaredo Sarmiento yesterday said he will be placing provincial and regional

PNP commands on red alert for the Holy Week following reports of a possible rebel and extremist attacks. As this developed, the Armed Forces of the Philippines (AFP) yesterday denied reports that military elements were behind an assassination plot against Moro National Liberation Front (MNLF) Chairman Nur Misuari and the recent series of bombings in Zamboanga City.

Defense Secretary Renato de Villa also questioned the authenticity of the report but said an investigation will be made to shed light on the matter. Police captured 27 suspected communist rebels over the weekend as they were about to hold a meeting to discuss plans for an offensive after Easter. Nine suspected New People's Army [NPA] rebels were arrested last [29 March] Friday and 18 others were seized when an NPA camp in Quezon was overrun last Saturday.

Philippines: Article on Plot To Assassinate MNLF Chairman

BK0104064796 Manila PNA in English 0122 GMT 1 Apr 96

[From the Press Review — received via Internet]

[FBIS Transcribed Excerpt] Manila, Apr. 01 (PNA) — Following are the top stories and excerpts of commentaries in the major English-language Philippine newspapers today: [passage omitted]

INQUIRER [Zamboanga] blasts linked to Misuari slay plot

A P [pesos] 10-million contract to kill Nur Misuari, Moro National Liberation Front [MNLF] chair, has been put up by Marcos loyalists opposed to any peace settlement between the government and the MNLF, a police intelligence report said....

The report, obtained by the INQUIRER, said the assassination plot was hatched by "traditional politicians formerly associated with the late Pres. [President] Ferdinand Marcos and retired and active Marcos loyalist officers and men."...

It said the P10 million bounty was raised by a prominent politician in Western Mindanao in collaboration with a retired Army major general who used to be a key official of the military's Southern Command during the Marcos regime....

The two-page report said two Army majors, both Muslims, were contracted to assassinate Misuari....

The officers, it said, were also behind the spate of bombings that rocked Zamboanga City early last month.... [passage omitted]

Philippines: OCW Remittances Surge by 68% to $5 Billion

BK0204022196 Manila BUSINESS WORLD in English 2 Apr 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Remittances of Filipino overseas contract workers (OCWs) increased 63.8% to $4.93 billion last year from $3.01 billion in 1994, latest data from the Bangko Sentral ng Pilipinas or BSP (Central Bank) show. These "unsung heroes" were credited once again for propelling the country's economic growth.

As countries race for development, barriers that hold back resources are thinning out. The movement of capital, physical and human resources has been freer and its total liberation has been expounded by economists.

The Philippines is right in the middle of this drama of development. Human resources deployed abroad have been heralded as the country's saving grace. Government policies have been geared towards making the movement of resources unencumbered by restrictions considered outdated by the world's global village.

Foreign exchange liberalization is one of these policies. It has also been cited as one of the reasons behind the improvement in remittances.

According to the National Statistical Coordination Board data, the bulk of the net factor income from abroad comes from OCW remittances. It is the difference between the gross national product and the gross domestic product.

Net factor income from abroad in real terms stood at P27.70 billion last year. This represented a 40.1% hike from P19.77 billion in 1994. These figures reflected the country's policy towards employment even as it speaks of the dilemma of foreign dependency. It has been toted that the country's policy towards deployment of human resources abroad represents its priorities.

Data from the BSP also show remittances from seabased workers declined 44.5% to $210.51 million from $379.35 million. On the other hand, earnings from resident aliens also contracted to $50.85 million from $67.84 million in 1994.

Still, these figures were unable to pull down the aggregate OCW level. Dollar contributions from land-based workers exhibited a tremendous growth of 82.4%, eclipsing all other sources of remittances. From $2.56 billion in 1994, these soared to $4.67 billion the following year.

Remittances from landbased workers last year accounted for 94.7% of the aggregate. Seabased workers remitted 4.27% of the total and resident aliens, 1.03%.

In particular, the landbased industry of the Americas can be credited for engineering the expansion in overall landbased remittances, manifesting an 117.8% jump to $3.68 billion from $1.69 billion in 1994.

Among regions, the Americas was the largest source of OCW remittances, followed by Asia. A far third was Europe and the fourth was Oceania. The Middle East ranked fifth. In 1995, there were no remittances from Africa.

OCW remittances on a monthly comparison followed a general trend, with little deviations from the average but gaining strength during summer and Christmas season when most of the workers come home.

Thailand

Thailand: Counterfeit Gang Held After Capture of Terrorist

BK0204022496 Bangkok ASIA TIMES in English 2 Apr 96 p 1

[Report by Witsanu Chitokun]

[FBIS Transcribed Text] The dramatic arrest last week of former Japanese Red Army radical Yoshimi Tanaka has been accompanied by the bust of a major counterfeiting ring in Thailand.

Four Thais were arrested and sophisticated counterfeiting equipment seized from a house in Ang Thong province, 70 km north of Bangkok, reliable Thai police sources said. The Thais were believed to be employed by Tanaka, one of Japan's most well-known fugitives, wanted for his role in the 1970 hijacking of a Japan Airlines plane to Pyongyang, North Korea.

Yoshimi Tanaka, 47, was arrested on the Cambodia-Vietnam border on March 24 by Cambodian police and Interpol officials after being accused of disposing of counterfeit dollars in the southeastern Thai resort of Phatthaya. He was accompanied by two North Koreans, who were questioned and later released.

According to police sources in Phatthaya, warrants were put out for Tanaka and four Thai men on January 2, 1996, after they used five fake US$100 notes to buy a large amount of film from a photo shop in Nong Preu village, North Phatthaya. The fake notes were similar to the new-design US$100 notes the United States Federal Reserve has promoted very recently to prevent counterfeiting, sources said.

Unaccustomed to the new notes, the shop owners sent them for verification to a Thai bank, which declared them fraudulent. The four Thai men, with fake notes totaling more than US$10,000 in their pockets, were arrested by Phatthaya police recently, but Tanaka escaped to Cambodia.

Sources said the Thai men, who were all from Ang Thong province, confessed that Tanaka employed them to produce the fake notes. Based on information from the Phatthaya police, the Bangkok-based Central Investigation Bureau (CIB) has confiscated equipment, and another US$10,000 from a counterfeiting unit in Ang Thong, as indicated by the arrested Thai men.

Ang Thong province has long been well known in Thailand as an illegal production base for pistols and rifles supplied to both local users and criminals from other parts of the country.

Tanaka, who was initially brought back to Phatthaya after his arrest in Cambodia, is now believed to be in a high-security prison in Bangkok. He is being closely watched by police officials to prevent him from making any bid to commit suicide as well as to ward off possible assassination attempts by his former colleagues.

The fear of assassination arises from the fact that Tanaka is believed to have been a senior functionary of the Japanese Red Army who, while in police custody, may become a dangerous liability to his former associates because of the information he possesses.

The Philippine military two years ago arrested a top Filipino communist with links to the Japanese Red Army who was allegedly involved in a US$1.6 million counterfeiting case uncovered in Switzerland in 1990. Eduardo Quitoriano, 41, was the Communist Party of the Philippines' international liaison officer to the Japanese Red Army, the Philippine military said.

Thailand: Official Views Impact of U.S. Turtle Protection Law

BK0204105396 Bangkok KRUNGTHEP THURAKIT in Thai 2 Apr 96 p 8

[Unattributed report]

[FBIS Translated Text] Fishery Department Director Plotprasop Surasawadi has noted the issue of the United States banning shrimp imports from countries that do not use the turtle exclusion device. He said the United States has informed Thailand that it will not delay implementing its turtle conservation law for one year from 1 May as requested by 56 countries. Therefore, he will meet with the Foreign Trade Department, Cold Storage Association, Processed Food Producers Association, and other related associations on ways to minimize the impact of the U.S. law on shrimp exporters.

He said Thailand wants the United States to postpone the implementation of the sea turtle conservation law for three years to allow Thai fishermen and exporters to adapt. Moreover, there are many steps to take in amending the Thai fishery law. He said there should be test on the pros and cons of using the turtle exclusion device. A decision can be made later on whether the device will be used on a permanent basis. To export shrimp to the United States, exporting countries must use turtle exclusion device, must have a law dealing with turtle conservation equal to that of the United States, and the turtles caught by accident must not exceed the specified amount.

He said the issue must be discussed with shrimp exporters and fishermen. Thai shrimp exports now totals 20 billion baht — 15 billion baht are from shrimp raised in farms and 5 billion baht from shrimp caught in the sea. He said the Fishery Department feels that the U.S. law is domestic-based and aimed at protecting its turtles. It is questionable if the U.S. can enforce such a law on other countries. As such a law contradicts World Trade Organization regulations, Thailand can sue the United States. To do so, would however, affect Thai-U.S. trade.

The Fishery Department director said his department will bring up the U.S. turtle conservation law for discussion at the meeting of the Southeast Asia Fishery Development Center, scheduled for 8-12 April, and urge the U.S. to postpone it.

Thailand: Banhan's China Visit Fails To Alter Satellite Stand

BK0204120596 Bangkok BANGKOK POST in English 2 Apr 96 p 19

[Unattributed report]

[FBIS Transcribed Text] Thailand still cannot agree with China over overlapping orbital positions of their satellites.

According to Sombat Uthaisang, deputy minister of transport and communications, Prime Minister Banhan Sinlapa-acha raised the issue for discussion with Chinese Premier Li Peng during a recent visit to China.

Mr. Banhan told Mr. Li interference of both satellites was unavoidable if China placed its Apstar 1A close to Thaicom 3, Mr. Sombat said.

But the Chinese premier has not promised to solve the problem, saying only that this issue has to be solved by technicians, Mr. Sombat said.

Mr. Sombat said he has instructed the permanent secretary to prepare information to begin another round of talks with Chinese authorities before they launch the satellite in June this year. Thaicom 3 will be launched into orbit in December, he said.

Mahidon Chantharangkun, the ministry's permanent secretary, said it was not easy to reach a conclusion with China over the disputed orbital positions.

But he said Thailand would try its best to negotiate.

Asked if China insists on placing its satellite on the same position and refused to abide by the International Telecommunications Union (ITU) rule, Mr. Mahidon said ITU has no authority to pressure China to shift its orbital position.

But ITU could request financial institutions worldwide to sanction China if it refused to abide by ITU rules.

Thaicom 3 will be launched into the 120 degrees east slot while China will put its Apstar 1A in the 121 degree east slot.

According to a technician at Chinnawat Satellite, if China insisted on the 121 degree east position, the earth station could not distinguish which signals were coming from each satellite.

This would result in poor quality of the signal or interference on voice, data and images, she said.

This meant satellites of each side could not work to their full capability. For example, if Thaicom 3 has 24 transponders, and Apstar 1A has 36, the capacity would be reduced, she said.

She said since Apstar 1A footprint is mainly focused on China and extended to Thailand, if Thaicom 3 has most customers in these countries, it could expect interference.

She said in most cases when satellites have close positions, operators settle problems technically through compromise and talks to tune down broadcasting strength on some areas.

But in this case, most customers were in the same area, she added.

Thailand: Single Management Body for Economic Zones Urged

BK0204095596 Bangkok BANGKOK POST in English 2 Apr 96 p 20

[Report by Chatrudi Thepharat]

[FBIS Transcribed Text] Thailand must overhaul the management of special economic zones if it is to maintain its competitiveness with other countries.

National Economic and Social Development Board (NESDB) Secretary-General Sumet Tantiwetchakun made the recommendation to Prime Minister Banhan Sinlapa-acha in Shantou, China, during a meeting of senior Thai officials.

The meeting was held to recap the results of Mr Banhan's first official trip to China.

The prime minister said he was impressed by China's management of its special economic zone in Pudong, Shanghai. The zone has attracted substantial investment from a number of leading foreign entrepreneurs.

At the meeting, Mr Banhan encouraged senior Thai officials to seek ways to improve the development of Thailand's industrial estates and special economic zones, especially those located in the Eastern Seaboard and Southern Seaboard development projects.

To attract investors, Thailand must take a new approach to managing special economic zones, Mr Sumet said, adding that existing management structures, with their delay-causing bureaucracies, are no longer workable.

He said the NESDB planned to resurrect a previous plan to set up a single organisation to oversee all infrastructure investment in each special zone.

That plan will be proposed this month at a meeting of the Eastern Seaboard Development Committee chaired by the prime minister. If the committee likes the plan, the NESDB will draft a law to endorse the establishment of such an organisation.

The NESDB's past recommendation that such an organisation be formed came under fire from several government agencies that would lose power as a result.

If the organisation is set up, it would be operated like a private firm, with the authority to approve important issues relating to basic infrastructure facilities in special economic zones.

Although agreeing that Thailand should speed up the development of industrial estates and special economic zones, Mr Banhan said he needed more details from the NESDB before making a decision on its proposal.

However, Mr Sumet pointed out that Thailand's Eastern Seaboard Development Project has been going on for more than a decade already, with the project only now reaching stage two with its emphasis on fundamental investment in schools, hospitals, a second deep-sea port and a high-speed train.

In contrast, China's special economic zones have been developed much more quickly, he said.

Meanwhile, Li Ji Aneng deputy director of Shanghai's Pudong Special Economic Zone, said Pudong, which began being developed in 1992, has become the largest special economic zone in China.

Pudong has been so successful due to effective management and the fact that one body has sole authority to manage everything from design to infrastructure to investment regulations.

Pudong is now in its second phase of development, with work beginning on a deep-sea port, subway system, power plant, container yards and other facilities.

As of February, 3,662 projects with an accumulated investment value of US$96 billion have already been set up in Pudong, he said. During the first two months of 1996, 162 projects worth $450 million in foreign investment were granted approval.

Thai investors are currently involved in 19% of the total projects, with investment of $100 million. The most significant among these investors is CP Group which has established a motorcycle assembly plant.

Yang Zhihua, the chairman of China's International Chamber of Commerce, said 43 of the 100 international companies investing in Pudong are listed by FORTUNE magazine as corporate leaders.

Board of Investment Secretary-General Sathaphon Kawitanon also commented that China managed its special economic zones well. The zones provide one-stop servicing for investors and provincial authorities have set up autonomous organisations to run each zone.

In contrast, foreign investors face lengthy delays in Thailand because they need to get permission from many government agencies.

Mr Sathaphon earlier said the BOI [Board of Investment] wanted to develop the Eastern Seaboard Project along the same line as Shanghai's Pudong, but many agencies did not want to lose their authority to grant various licences.

Industry Minister Chaiwat Sinsuwong has voiced his support for the NESDB's recommendation for the development of a single management organisation.

Thai Editorial: Joint Programs Can Boost ASEAN's Buying Power

BK0204074896 Bangkok BUSINESS DAY in English 2 Apr 96 p 4

[Editorial: "A Great Potential for ASEAN To Unite and Conquer"]

[FBIS Transcribed Text] The Association of Southeast Asian Nations (ASEAN) needs to come up with new initiatives in the areas of economic and political cooperation. ASEAN's forward momentum seems to be losing steam now that the Asian Free Trade Area (AFTA) tariff reduction timetable is set and there is little more for ASEAN to do than to wait for the age of regional free trade to dawn and for new members to come along.

The increasingly competitive arena of world trade requires the ability to negotiate from a position of strength. Buying power is a major source of negotiating leverage, but taken individually, ASEAN economies do not have a sufficiently powerful purchasing power to drive a hard bargain with the European Union (EU) or the US.

A united front is needed. For example, US trade with ASEAN economies is rapidly growing, and while our focus is usually on how much we sell to the US, it is becoming increasingly clear that the US needs our region as a market as well.

US exports to ASEAN are closing in on $40 billion per year, and what is even more important is that the rate of increase and the potential for growth of ASEAN purchasing power are by far the highest of any other regions in the world today.

In other words, we have the clout to negotiate, but only if we do so in unity.

The need for ASEAN to purchase high technology products could serve as a beginning point for finding areas in which a joint economic and trade policy may be formulated. For example, advanced medical equipment is increasingly needed in modern hospitals throughout our region. It would be far more advantageous for hundreds of hospitals in the ASEAN region to join together as a union of buyers ready for high volume purchase than to have individual hospitals fend for themselves.

Other high-technology tools and equipment may also be targeted for joint purchase programs. And despite an excessive amount of nationalistic brea-theating and a basic mistrust of one another, it is not inconceivable that ASEAN's insatiable need for weapon systems could be another area in which a certain degree of co-operation will significantly reduce costs.

In the absence of an effort to forge unity on the economic front among ASEAN economies, the major trading blocks of the world will use the divide-and-conquer technique to their best advantage, and they can hardly be blamed for doing so. Thailand's current competition with the Philippines to entice General Motors to set up a manufacturing center is a good case in point.

There is no need to re-invent the wheel when it comes to designing and implementing regional trade and economic policies. The EU and the US offer prime examples to study and evaluate. The idea is not to blindly copy from others, but to stay ahead by adopting measures which are uniquely suited to our region.

Thailand: Visiting Egyptian Foreign Minister Interviewed

BK0104120296 Bangkok IBC Cable Television Network in English 1100 GMT 31 Mar 96

[Interview with Egyptian Foreign Minister 'Amr Mahmud Musa by Sohpon Ongkan of THE NATION in Bangkok, date not given; from the "Face the Nation" program on IBC 9—recorded]

[FBIS Transcribed Text] [Sohpon] Welcome to Bangkok, sir, and thank you for joining us. You've got a specific mission this time?

[Musa] Thank you very much for hosting me on this program. I came here for a short visit to consult with my colleague, the foreign minister of Thailand, and also to try to launch a new era in the relations between Thailand and Egypt, and, in fact, between the Middle East and Southeast Asia. Based on the common interests and the familiarization with each other, I believe it was highly successful.

[Sohpon] What is the initiative for this meeting, a new era of relationship between Thailand and Egypt?

[Musa] I should say relations between the two countries are old enough to mature. We have cultural relations and the relations in so many fields. We have political problems together. In fact, we see eye to eye on many of the international problems. You have achieved a lot recently as one of the very successful economic policies in this region; and a good example for economic reform. Egypt has embarked on a very serious and deep economic reform already. With the opening up of the Egyptian economy and the regional economic space in the Middle East on the verge of being launched on the basis of peace that is underway, under negotiations now. We are of the view that the diversification of our economic attention, bearing in mind the Asian weight or the ASEAN weight, to be added to the European economic weight, which would augur well for the economic boom that we are about to launch in our region.

[Sohpon] There was also a similarity between Bangkok and Cairo in a number of ways. Bangkok hosted ASEM [Asia-Europe Meeting] meeting with 25 world leaders coming here and then you just got the conference in Sharm al-Shaykh. Are the two interrelated?

[Musa] I thought you referred to the similarity between the two cities, so far as traffic is concerned. Of course, you know, many countries now play a central role in the politics of their regions. In the Middle East, Egypt is playing that role as the most, the largest country of the region. With our history and our role in the establishment of peace and also our role in the Arab world, we can do a lot to foster relations with other regions and countries.

[Sohpon] Before we talked, you delivered a speech to some academics, local academics?

[Musa] Yes. That was about the relations with ASEAN and, of course, I referred to the peace process, talked about the peace process, about the regional economic cooperation in this area, about the Mediterranean — the political and economic activities in the Mediterranean. There were also some questions and answers about the situation here, that region, and the Pacific. So it was useful, especially for me to mingle with the people of many political and economic walks of life in your country.

[Sohpon] Yes, but that kind of relations could be disrupted by certain unsettling events in the two regions. Now you see, China and Taiwan are having some kind of a saber rattling and then Israel having problems with the suicide bombing and then the...[changes thought] Unless the two regions can somehow forge political, economic, social relations together through frequent dialogues, that could be possible, realistic?

[Musa] First, all regions have problems of many kinds. Their problems are of historical nature, of economic nature, political nature, of security nature. So the problems here in your region are different in nature than those in our region. This will not disrupt the developed economy. Other countries here or there try to negotiate, to try to calm down the tension, to try to deal with the established course of negotiations or contacts or so on. Let us not be disturbed if there are problems that suddenly add up here or there, and then the world is interacting now. Nothing happens in any region that would be the concern of the region alone. Some of the problems have international dimensions. Some of them have regional dimensions. Some of them have only bilateral dimensions. So we follow with great interest what have been going in the Pacific. They say that the next century is the Asian century. So Asia extends from the Mediterranean to the Pacific, and half of the Arab countries are Asian — including even part of Egyptian territory — is Asian. So we have a lot of reasons to be interested.

[Sohpon] Let us talk about this Middle East peace process. Are you satisfied with the result of Sharm al-Shaykh?

[Musa] Yes, we are satisfied with that result.

[Sohpon] The outcome was realistic?

[Musa] The outcome was first a strong demonstration of the collective will of so many countries from so many continents that the peace process is a very important process to let it falter.

[Sohpon] There is no turning back?

[Musa] There is no turning back anyway, but obstacles or difficulties or events or tensions would slow it down, would stop it, would threaten it, would affect it adversely negatively. That's what all of us want to prevent, and that's what the conference in Sharm al-Shaykh talked about. The conference in Sharm al-Shaykh talked about the peace mainly and the obstacles to peace including the use of violence. We are, of course, all against the use of violence, against terrorism, against actions that terrorize society. This phenomenon, as you may agree with me, is not special to the Middle East. It is a phenomenon that many countries and many societies have witnessed of late. I would have attention brought to the Oklahoma incident, or the New York one before it, or the Tokyo attack, or the European attention of the same kind, and also the Middle East tension of the same kind. It has become an international phenomenon that all of us, all societies, have to stand firm against it. [Word indistinct] of the position, all different points of views, for it was against forces, but the use of violence, that is exactly what we should all cooperate to prevent.

[Sohpon] You think the result of the meeting in Sharm al-Shaykh will somehow affectively prevent violence like suicide. Just before I come here I read a wire service report Israeli forces have just demolished six residences of militant families and they have completed the barricade of 2 million Palestinians. Would this somehow cause uneasy feeling among Arab states, which support the peace process?

[Musa] For sure, the fact that Israel occupies Arab territory is a fact that none of us accept, and we are working to reach a settlement according to which Israel will withdraw from these territories. Back to the line of 4 June 1967, according to the United Nation Security Council's resolution. The way to do that is to negotiate; and to negotiate successfully, you need a climate, a good climate. This good climate that should be conducive to meaningful results by negotiations should not be disrupted neither by use of violence like the suicide incidents, which took place recently, nor with the action like the ones you referred to because every action has a reaction. An Israeli action produces a Palestinian reaction and vice versa. We have to stop that. We stop killing. We stop bombing. We stop demolishing houses. We stop building settlements. We stop everything.

[Sohpon] Is the climate still good?

[Musa] No, the climate now is not good, and the events like the ones that you have referred to, and I have referred to, definitely do not relatively develop a good climate.

[Sohpon] One more thing, the U.S. House on International Relations has just tightened the sanctions against Iran and Libya. Would that somehow block them eventually from being, what, induced to partly or wholeheartedly joining peace process?

[Musa] It cannot induce them to join the peace process. That is something bilateral. This is the Senate or the Congress of the...[pauses] As you said it is a committee. So we indeed do not want to add to the tension in the Middle East. We know how bad the relations are between Iran and the United States. Iran, in fact, is called upon to reconsider many of its policies that cause a lot resentment in the region and beyond. At the same time, the relations between one country and Iran, or another country and the Iranians, are something that concerns both of them. I don't think it would necessarily affect the whole scene, especially, as this is a just a pronouncement by the committee.

[Sohpon] What about the concern of moderate Arab states when they view what have been described as fundamentalist regimes, fundamentalist governments, because the situation could be somehow worsening, because you have got some concerns about the questions of fundamentalists, Islamic people and the other countries like Saudi Arabia also and then other countries like Libya, Iran they are having some role of it some people like the Hezbollah, the Hamas [Islamic Resistance Movement] for examples. How would you eventually smoothen the relations between [word indistinct] and the moderate states?

[Musa] We have to sort things out, although it is very complicated picture. You cannot stress or pressurize governments to take a certain line of politics. Some of them could figure that the process of peace is not doing well, did not really return all the territory of the Palestinians. The Palestinians are facing difficulties in territories, and so on. So the example is not satisfactory to many people in the Middle East, but to others, they think that is a step forward, but it is just a step. It does not represent the final solution for the problem. So there are various points of view, but this is what it takes because there are those who criticize, those who accept, those who see perhaps the reasons, and we are trying to accelerate the process of peace.

[Sohpon] But some parties are not willing to proceed to the negotiation table.

[Musa] Who is not proceeding? The Syrians are ready, the Lebanese are ready. The Palestinians are at the table anyway. The point is, as I said before, the climate should be conducive to that and the confidence by all parties in the Arab... [pauses] should augment, not vanish. We want the confidence to be stronger and the parties to negotiate continuously because Israel needs security. Arabs need security too. Arabs need territory. Israel needs recognition. Both of them need peace. So this is a project or an endeavor that needs the cooperation of both what we doing in the Middle East.

[Sophon] So what should be the most realistic and probable approach to improve the climate for negotiations?

[Musa] First, the implementation of the agreements thus far achieved between the Palestinians and the Israelis. They have agreed that by the end of March, Israel should completely withdraw from Hebron, the city in the West Bank. By the fourth of May, the final stage of negotiations should start. At the same time, on the Syrian track, they were negotiating. Those negotiations should not be interrupted. We have to negotiate all the time in order to pave the way for agreements. The track of Lebanon, has not been activated, it must be activated and so on. The first thing is to implement what has been agreed on; and faithfully. Number two, do not exaggerate on things, that...[pauses] The security of Israel, the security of the Palestinians, there are certain reasonable demands that one can accept. There are other things that are impossible to 'Arafat under certain circumstances and cannot accept, or Israel cannot accept and so on.

[Sophon] Hypothetically, if two bombs go off, what will happen then?

[Musa] That would worsen the situation tremendously.

[Sophon] Do you think you go back to square one?

[Musa] I hope not but it would at least put a halt, a stop, to the process now for a long time, and I hope that this will not happen.

[Sophon] You think Mr. 'Arafat has emerged from Sharm al-Shaykh with a stronger position, or just the same, weaker?

[Musa] No, but 'Arafat is not weak, 'Arafat is in very strong position within the Palestinian body politique. What would further strengthen 'Arafat is the implementation of his agreement to the Israelis. Denying implementation will weaken 'Arafat, and also the siege around the Palestinian territories will weaken 'Arafat because the people would be living in difficulty. There is no bread, sometimes there is no bed. Sometime in Gaza Strip, there were difficulties of that sort. This cannot but weaken 'Arafat.

[Sophon] But he has been seen as being unable to control the military wing, the Hamas, these people.

[Musa] No, now I should tell you that this is an accusation that we don't think is true. 'Arafat perhaps can do better and should do more, but he has done all what he can under the circumstances. Now this accusation is a kind of exaggerated accusation, but anyway he is doing his best now.

[Sophon] With the full support from the parties at Sharm al-Shaykh?

[Musa] Obviously with full support. It would also need to be supported economically, and for Israel not to close the borders around him and stifle him and his popularity. Then he will be in another weak position that cannot deliver what is ought to, which is to also stand firm, as we all do, against terrorism and violence.

[Sophon] Can you talk about the future of the fundamentalists in this part of the world? Is it gaining more ground, or...

[Musa] No, I don't think they are going to gain...[pauses] The people, the society all of them cannot live with such kinds of violence. Then the economic reform in region, the vast economic opportunities that are being created. The peace itself and the move toward peace, all that yield would be a frustration of people, and definitely it adds an element of optimism for the future. This is the most important thing.

[Sophon] What about the situation in Egypt itself, about the influence of the fundamentalists?

[Musa] The word 'fundamentalists...'

[Sophon] Radicals?

[Musa] Yes, the question is hazy. The political Islam was born in Egypt several decades ago, and the activists of this political Islam tried several times under King Farooq, 'Abdel Nasir, even under Sadat, and now to seize power and to impose their ideas. They never succeeded and why? Because, the Egyptian society rejects such extreme ideas. It's a religious people. The Egyptian people, but they dislike exaggerations, extremism, and the like. So I tell you that there is no future for violence and for extremism in the Middle East, and in Egypt in particular.

[Sophon] What about the political future of Egypt alone? What are you heading towards?

[Musa] Continue our principle of rule, or our basic rule of that region. Especially, as it would be economic reform, we are confident that this economic reform will succeed and, therefore, will bring Egypt into better future.

[Sophon] What is the immediate strength for the country's future? Economic future.

[Musa] Yes, the economic future. The reform that has already shown results.

[Sophon] And resources?

[Musa] Resources are abundant. They are abundant. We produce. We have Suez Canal. We have the industries that are emerging. We have the agriculture that is abundant. We have also a lot of land to build factories, and the important thing is to let the private sectors work. Let those individuals who want to be rich be rich. That's what we are doing in privatizing. And we are opening the door for investment, opening the door for trade and so on. That is why we are confident of the future.

[Sophon] Have you found a solution to solve the traffic jam in Cairo?

[Musa] Oh yes. You know something. We are building an underground system. We built already the first phase, the second phase will be opened within months, the third before the year from now. This would put at least 2 million people underground. Every minute they are moving underground. That will reduce traffic, reduce cars if it is operated effectively. People would go to their work and back to their home through the system. This is what we have been working for two to three years now, and it is very good and introduces a new way of life in the city.

[Sophon] Have you told your Thai counterpart about this result?

[Musa] Yes, we talked about that. That's because I understand that you are going to build that now — the underground system. Now you have a lot of money to dig.

[Sophon] So you, from now, from Bangkok you go back to...

[Musa] From Bangkok, I go back to Cairo.

[Sophon] For more missions somewhere else?

[Musa] Stay for a week or so, and then start again. All the foreign ministers are very busy. We don't stay in one place for months.

[Sophon] I see. Thank you very much for joining us.

Thailand: Laos Urges 'Tough Measures' Against Suspected Rebel Base

BK3003111396 Bangkok BANGKOK POST in English 30 Mar 96 p 2

[Report by Watsana Nanum]

[FBIS Transcribed Text] Laos has again urged Thailand to take tough measures against Laotian resistance forces it suspects use a temple in Saraburi as a base to destabilise its government, according to a top military officer.

Lt-Gen Phairot Nutchaya, director of the Armed Forces' Directorate of Joint Operations, yesterday said Laos' Brig-Gen Duangchai Phichit had urged Thailand to swiftly tackle problems in Wat Thamkrabok which Laos has alleged some Hmong resistance forces have used for possible acts of sabotage against the Laotian government.

The Government has consistently denied the allegations.

Lt-Gen Phairot, who is chairman of the sub-committee supervising peace and security along the Thai-Lao border, said: "The military and the Interior Ministry with the support of the Foreign Ministry have stepped up their joint efforts to monitor alleged illegal activities by Hmong in Thamkrabok.

"Laos is not happy with the situation there while we have closely monitored the situation in Thamkrabok to ensure there will be no harmful activities against Laos."

During a visit to Laos in late January Defence Minister Gen Chawalit Yongchaiyut was urged by Laotian Defence Minister Lt-Gen Choummali Sai-gnason to take strong measures against some Hmong resistance members believed to reside in Wat Thamkrabok, which is a rehabilitation centre for drug addicts.

Gen Chawalit gave his personal assurance the Thai military had not provided any support to Laotian resistance forces trying to destabilise the country's government.

The border sub-committee has been holding its three-day annual meeting this week.

Held in Chiang Rai's Wangkham Hotel, it ends today. Border cooperation was a key topic for senior military officers from both sides.

Lt-Gen Phairot said Brig-Gen Duangchai has also asked Thailand to swiftly demarcate the border line in the Ban Rom Klao area where military forces from both countries engaged in fierce fighting in late 1980s.

Lt-Gen Phairot said the Laotian side was concerned over a report some Thais living near Ban Rom Klao area had encroached on the disputed territory hoping to cultivate it.

Brig-Gen Duangchai has claimed both Thailand and Laos had earlier agreed the disputed area should be left intact and was considered off limits to people from both sides.

Thailand: Cambodian Foreign Minister Previews Visit

BK0204095296 Bangkok PHUCHATKAN in Thai 2 Apr 96 pp 1, 4

[Unattributed report]

[FBIS Translated Excerpt] Little concrete progress has been made since Thai and Cambodian defense ministers signed an accord in November 1995 on opening three permanent crossing points on the Thai-Cambodian border at Chong Chom-O Samet, Khlong Luk-Poi Pet, and Ban Hat Lek-Koh Kong. This will be the main issue on the agenda of Cambodian Foreign Minister Ing Huot's visit to Thailand on 4-5 April.

Speaking to PHUCHATKAN, Ing Huot said he and his Thai counterpart Kasemsamoson Kasemsi will discuss bilateral cooperation and cooperation within the ASEAN framework. The topics will include security of the opened border crossings, border demarcation and overlapping sea boundaries, and Mekong subregional cooperation, particularly the planned accord between Cambodia and Laos on the proposed siting of the Mekong subregional cooperation office. Also to be discussed are the implementation of the Stoeng Nam hydroelectric cooperation project, investment promotion by the private sector, and Thai aid for rural development projects in Cambodia.

Ing Huot said Thailand and Cambodian have regular consultations with one another on the border crossing points, but the security problem posed by the Khmer Rouge has resulted in the closure of many points. He said: "The opening of border crossings benefit people on both sides of the border. Hoever, the most important thing is how to eliminate the Khmer Rouge from the border areas in question." [passage omitted]

On the overlapping land and sea boundaries which have prevented the two countries from making full use of many areas, the Cambodian foreign minister said the two countries could negotiate to turn those areas into joint development zones. He said: "Cambodia hopes the overlapping boundaries with Thailand could be resolved rapidly, at least not take the 14 years it took Thailand and Malaysia to resolve their problem.

Ing Huot said his government is giving importance to Stoeng Nam hydroelectric project and wants to speed it up. However, it must study its technical aspects such as the environmental impact, before deciding to proceed with the project.

Thailand: 'Excerpts' of Defense Ministry White Paper

BK3103121496 Bangkok THE SUNDAY POST in English 31 Mar 96 p 17

["Excerpts" of a white paper on the "missions, duties, and functions of the Royal Thai Armed Forces" prepared by the Defense Ministry; date not given: "Defense Forces of the Future"]

[FBIS Transcribed Text] Royal Thai Army: Equipment used by the Army must be compact in size, light, and have high destructive power. Tanks and armoured vehicles must have high efficiency and be suitable for Thai terrain. Artillery range and fire control systems must be developed to attain maximum effectiveness; anti-tank weapons will be upgraded to include missiles and attack helicopters, and anti-aircraft weapons will also include missiles.

Other weapon systems, such as multi-barrel rocket launchers will be considered for use, and battlefield surveillance equipment must be developed and improved for night operations. Communications equipment and systems must be developed so they can be integrated with those of other services.

The Army must have air mobile and rapid deployment units ready to act at any time to meet any situation that may arise.

Royal Thai Navy: The Royal Thai Navy must protect maritime national interests in coastal areas, the continental shelf and exclusive economic zone, and also defend the country at sea. The Navy must increase its capabilities to efficiently counter threats from the sea, protect natural resources and industrial energy sources, maintain the law of the sea, and also provide continuous protection for sea lines of communication.

Consequently, naval forces have to operate further from base and for a longer period of time. Therefore, it is essential for it to have suitable equipment, such as helicopter carriers, vertical take-off and landing aircraft, frigates and submarines, even though such equipment may cost a great deal.

Development of equipment and weapons on board ships, such as surveillance, electronic warfare, command and control, and intelligence gathering equipment, as well as modern long-range all-weather weapons, will help improve the capabilities of naval forces.

Royal Thai Air Force: Air power is an important element in warfare since it has the ability to achieve a quick and decisive victory. This is because it is flexible, has a long range and high destructive power and is highly accurate.

The Air Force must reinforce its combat elements to keep up to date with modern technology. It must be able to deploy rapidly to accomplish efficiently its mission. It must continually develop its aircraft, weapons systems and intelligence gathering, electronic warfare and air defence capabilities.

It must therefore develop and improve its control and early warning systems, anti-aircraft weapons systems and its fighter/interceptor aircraft.

Reserve force system: War in the future will be conducted as total war and will be over quickly; but it will consume a vast amount of resources. The safest way to conduct such a war is to maintain only the necessary active forces together with high-technology equipment.

But in the present situation where a large budget is needed for economic competition with other countries, a large amount of money is not available for national security. Consequently, reserve forces must play an important role in national defence. While active forces are being restructured and reduced, it is vital to develop reserve forces so they can act as replacements for any shortages.

Business establishments and government agencies must also cooperate by granting their personnel leave of absence to attend periodical training.

Command and control system: The Royal Thai Armed Forces is presently developing a command and control system to distribute information, analysis, orders and reports, and to control operations by using modern equipment (Command, Control, Communications and Intelligence System). It is necessary for the Armed Forces to acquire this system as it will not only create great prestige in national defence but will also assist the government in solving problems caused by natural or man-made disasters.

Intelligence activities: To enhance intelligence efficiency, the government must provide continuous support for the development of this activity. Cooperation and coordination should be made with friendly countries in both intelligence and system development. The utilisation of satellite communications in strategic intelligence will greatly enhance efficiency.

Surveillance activities: Effective surveillance must include land-based, sea and airborne equipment which can cover the whole country. This equipment must also be able to effectively search for and identify targets, as well as take effective countermeasures.

Air surveillance by high-performance aircraft, which in future could include those capable of operating as airborne operations centres, will be able to cover blind spots in the existing radar network. Sea surveillance by naval patrol boats, maritime patrol aircraft, submarines and helicopters must be done continuously, and submarine detection capabilities should be improved.

Ground surveillance and patrols by troops along the borders, and cooperation from fishing boats and people living in border areas acting in conjunction with strategic development plans, will also increase surveillance capabilities.

Electronic warfare: Present and future wars will involve the use of advanced technology. Effective use of electronic equipment will give the Armed Forces a distinct advantage over opposing forces in many respects, such as location of enemy positions, friend or foe identification, battlefield surveillance, guidance and navigation, jamming, electronic emission and counter-jamming measures, interception and monitoring, as well as deception measures-all of which are used extensively in present-day electronic warfare.

The Royal Thai Armed Forces should therefore establish units and provide education and training to its personnel in the planning and utilisation of technology and equipment in electronic warfare.

Nuclear, biological and chemical warfare: Even though nuclear, biological and chemical weapons are not widespread nor developed in this region, some countries may acquire biological and chemical weapons in the future because of their low price and devastating effect. Therefore preparation of equipment and training in nuclear, biological and chemical warfare protection must be undertaken.

Training activities: Educational and training centres must take concrete steps to increase efficiency. Doctrine is also an important element in developing combat efficiency. Each country formulates its own doctrines depending on a number of factors, such as local terrain, weapons in use and even the national characteristics of the people. The Armed Forces must therefore consider revising current doctrines so they conform to local conditions and take into account factors mentioned above.

Night operations are very effective and extensively employed, as they can reduce casualties for attacking forces and inflict heavy losses on defenders. Therefore training at all levels and in all the services must emphasise night operations in both maneuvers and use of equipment.

Educational development: Since the structural organisation and combat operations of the Armed Forces must be unified and compact, training and education by the three services in subjects that are similar should be done jointly. The education system must be revised to include more joint training.

Conscripts will receive training according to their educational background. That is, if the conscript has received only compulsory education or below, he will be given vocational training in a field that is required in his local area before being discharged.

The Army, Navy and Air Force academies, in addition to producing regular officers, will be remodeled to become a future source of engineers for the country. Instructors at these academies will be encouraged to do research work. Instructor exchange programmes between universities and educational institutions of the Armed Forces at the same level must be implemented.

Research and development: Future research and development activities of the Royal Thai Armed Forces must be undertaken by all R&D units.

Consequently, proper research and development activities must begin with the identification of research objectives. After this is done, qualified researchers must be produced by giving scholarships to capable students to study in the required subjects at the Masters and Doctorate levels. Graduates would then return and do research in their field of study. Any research must have continuity.

The Royal Thai Armed Forces will cooperate with educational and research institutes of both the public and private sectors to promote military research and development. Initial research and development may require a large budget, but this is necessary.

Personnel administration: The Armed Forces will have to be reduced in size to become more compact, and the budget saved should be used to develop weapons and equipment. The number of active personnel must be reduced and reserves increased to a ratio of 1:1, or even greater.

Unnecessary or obsolete units should be deactivated, and personnel moved from units that have reduced workload to those with manpower shortages.

The method of providing services should be changed from one that hires regular and temporary workers to one where the civilian sector would be responsible for performing services. Non-essential production facilities, such as certain defence industries and state enterprises under the control of the Ministry of Defence should also be taken over by the private sector. Employment regulations must be amended so some positions are open to civilians.

Logistics: A joint logistics system — a system that supplies equipment in common use by all three services — must be implemented in practice as it will reduce transportation costs and time. The use of computerised databases in logistics will facilitate storage and checking of data.

In peace, it is necessary to coordinate with civilian agencies to make preparation for the support of the military in war. These preparations include collecting and exchanging information on various matters, such as local logistics sources (factories and industrial resources), production capacity, amount of resources available and requirements of the military, as well as the ability of local civilian sources to meet these requirements.

It is necessary to have Memoranda of Understanding with friendly countries for the supply of equipment in war and to establish war reserve stockpiles.

Defence industries: An Army Weapons Production Centre, the Rifle Production Plant, and the Armed Forces Vehicle Rebuild Workshop must be considered for research and development work. However, in the long run, privatisation of defence industries should be considered to increase production and quality. Nevertheless, they should continue to serve the military in war.

Other public and private industries that produce items and parts similar to those required by the military, such as tinned food, can play an important role in developing defence industries by exchanging technologies. They can also help meet defence requirements in war.

National defence budget: During the Cold War, developing countries received protection and assistance from the superpowers in maintaining national defence. Weapons and equipment, which for the most part were no longer in service with these superpowers, were given or sold at low prices.

After the end of the Cold War, countries that used to receive assistance for national defence had to depend on themselves to establish a defence system that would be appropriate for their situation.

Thailand, like other small countries, had developed its Armed Forces with the assistance of superpowers. Consequently, it found itself with a surplus of manpower equipped with obsolete and out of date weapons. This resulted in most of its budget being used for the upkeep of personnel and only a limited amount left for development.

Since it is necessary to become self-reliant, the Armed Forces must develop adequate capabilities. The best way of doing this is to reduce the number of personnel and procure modern equipment to offset this manpower reduction and to replace obsolete equipment.

Thailand: Article Views Regional Security Meeting

BK3103135096 Bangkok THE SUNDAY POST in English 31 Mar 96 p 24

[Article by Micool Brooke: "Security Dialogue: A Step Forward"]

[FBIS Transcribed Text] Defence cooperation was enhanced at the "Asia-Pacific Security Dialogue: A Step Forward" in Thailand this month and planning is underway for a follow up seminar in November.

Some 250 senior military officials, foreign affairs and strategic studies experts from 18 countries attended the three-day meeting at Nakhon Pathom. The meeting was held against a backdrop of the China-Taiwan crisis which had unnerved the region, but this issue did not make the agenda.

Almost all the 62 foreign and 188 Thai participants hailed the meeting as a significant "step forward" in regional cooperation but stressed the importance of maintaining the momentum by staging another after the next Asian Regional Forum in June.

The Asia-Pacific Security Dialogue is the brain-child of Thai Deputy Prime Minister and Defence Minister General Chawalit Yongchaiyut who presided over the official opening at the Rose Garden Hotel on March 20.

Organised by the Institute of Strategic Research and the Defence Ministry, the dialogue was designed as a follow-up to the ASEAN Regional Forum (ARF) in Brunei last year.

The initial confusion created by an erroneous report that General Chawalit wanted to set up a NATO-style alliance did not prevent the region's great military strategists from attending with an open mind.

The forum however, failed to tackle the region's hottest issue — the Taiwan-China issue. But General Chawalit said the purpose of the security seminar had been not to work to resolve divisive issues but to continue the process of confidence building sparked by the ARF.

The defence minister avoided being drawn into commenting on the situation in the Taiwan Straits by reporters, saying his view might jeopardise Thailand's relations with both China and Taiwan.

The three-member Chinese delegation at the seminar said they had no intention of allowing what Beijing considers to be an internal affair be brought up for discussion at the forum.

Colonel Mah Choudong, officer of the Chinese Ministry of Defence, said he had asked other seminar participants to refrain from discussing China-Taiwan tensions. "The meeting agreed to the request," he said.

An embarrassing confrontation between the Chinese delegation and a Taiwanese military officer was only narrowly averted on the opening day.

The Taiwanese military officer attached to the Taiwan trade representative office in Bangkok attended the opening of the seminar but was later refused entry to further sessions because he could not produce an official invitation.

The row prompted the defence attache of a western embassy to say it was too much to expect that such a hot issue would make the discussion agenda. "Technically it should be raised for discussion but that would be stretching the tolerance of the Chinese delegation. For a first meeting of any kind it's enough we could agree on anything," he said.

In his opening speech General Chawalit a former Army Commander-in-Chief, said the inspiration for the seminar came from the desire to see the armed forces, whose image has long been associated with war, and various forms of death and destruction, become a principal force for the constructive tasks of peacemaking and social development.

He also said though the Cold War was over, regional security problems had become more complicated and varied and this seminar was designed as a timely "step forward" to peace and prosperity.

The first session of the Asia-Pacific Security Dialogue was devoted to evaluating progress made by the ARF from its first meeting in 1994 up to the second meeting in Bandar Seri Begawan last year.

The ARF in 1994 agreed the Asia-Pacific region urgently needed a new framework for security cooperation to maintain peace and stability which would ensure economic growth and prosperity for countries in the region.

The ARF meeting last year provided three basic strategies of process being the promotion of confidence building measures, the development of preventive diplomacy mechanisms, and the development of conflict resolution measures.

General Chawalit said while confidence-building measures are to be implemented first, some preventive diplomacy mechanisms including peace keeping was possible at the same time. Delegates at the Nakhon Pathom seminar discussed issues which aimed at moving forward with the ARF process of promoting confidence building and preventive diplomacy among nations in the region.

General Chawalit earlier hinted at the possibility of establishing a peace keeping centre with a task similar but not identical to NATO. The centre, which could act as mediator in lessening hostilities in the region, would take on a wide scope of responsibilities.

The meeting delegates also agreed on the need for a regional United Nations peace keeping force and said either Malaysia or Australia was a logical place to establish a base for the unit as both had UN peacekeeping training centres for their own troops.

A recommendation to base a peace-keeping force in Malaysia will be presented at the next meeting of the ARF in Jakarta in June. Delegates had agreed that the ARF should establish its own secretariat because its activities were increasing.

The second topic of transparency in arms procurement met with less enthusiasm from the participants.

General Chawalit proposed at the meeting that regional countries publish their own defence white papers outlining strategic plans to avoid an arms race.

ASEAN alone spent $9 billion on arms in 1995, 22 percent of the world total and behind only that of the US and European Union.

However, the idea of sharing information about their spending plans or existing arsenals was rejected by delegates of some countries .

Dr Kusuma Sanitwong, chairperson of Chulalongkon University's Institute for Security and International Studies, said General Chawalit's proposal had been dropped because some countries were opposed to the idea of revealing military secrets or sensitive information .

"Many countries said they feel uneasy about publicising details about their defence. Some countries even said their constitutions do not allow them to reveal information about their military," said Dr Kusuma, who chaired the seminar's final session on March 22.

Thais to their credit set an example by presenting their 1996 White Paper to meeting participants.

With a defence budget of US$4 billion, the pace of the Thai military's arms procurement programme alarmed her ASEAN neighbours and there was clearly a need to ease mistrust and paranoia in the region before it triggered an arms race.

The White Paper outlined defence policy and perceived threats but made no specific mention of arms to be procured or countries Thailand views as potential threats.

Although deliberately vague in its description of potentially hostile nations, the White Paper states quite clearly that religious fervour and the rise to power by certain leaders in neighbouring countries posed the biggest threat to Thailand and regional security.

Defence analysts said Burma was a target of Thai suspicion.

Thai military officers at the forum said they regretted that Burma had rejected the invitation to attend the forum, noting that relations between their two countries had soared and there was an urgent need to open dialogue before border problems escalated into conflict.

"It is very regrettable that Burma turned down our invitation," a Thai military officer said, noting that relations with their Burmese counterparts had deteriorated in recent years and were unlikely to improve.

A senior Thai military strategist said they believed the quest for economic resources would spark border conflict with Burma. The White Paper states Thailand may have to meet a challenge from its western border.

Burma's rapid development of its armed forces has not gone unnoticed by the Thai military or the Thai defence minister. When General Chawalit visited Beijing last year, he asked China's military leaders to stop supplying arms to Thailand's western neighbour.

The defence minister did not mention the country by name but it was clear he was referring to Burma which had spent US$1 billion on Chinese arms sold at "friendship prices" over the past decade.

Organisers of the Asia-Pacific security seminar said they hoped Burma would accept an invitation to the next forum.

Reaction: At the conclusion of the seminar, most participants said they had been pleasantly surprised by progress made toward goals set by the ARF. They agreed the meeting had paved the way for greater understanding and set the stage for greater cooperation.

Royal Australian Navy Rear Admiral Don Chalmers, assistant chief of Defence Forces (Australia), best summed up the feeling of the participants about the meeting's outcome.

"It was a very timely seminar which surpassed expectations. There was a lot of hope for this seminar despite the initial confusion about the NATO-style defence bloc," he said.

"A lot of positive feeling has emerged from the meeting. We know each other better and the way to greater cooperation in the region is now open. However, we must keep the momentum going."

Cambodia also gave the seminar a vote of confidence. Brigadier General Lay Bun Seong, director of the International Relations Dept, Ministry of National Defence, said Cambodia would consider playing a role in peace keeping after it becomes a member of ASEAN in 1997.

"We came here not knowing what to expect — perhaps suspicion and mistrust — but we are leaving feeling greatly reassured that all the armed forces of the region desire peace and stability just as we do."

The Cambodian secretary-of-state Mr Ek Sereivoat said Cambodia hoped to play a bigger role in regional affairs within the next two years when it expects to have eliminated the remnants of hard core Khmer Rouge insurgents.

"We congratulate General Chawalit as a man of great vision for seeing the need for greater regional cooperation in security and establishing a means to achieve such a thing," he said.

Thailand: Supreme Command To Provide 5 Billion Baht for Arms

BK3003114096 Bangkok BANGKOK POST in English 30 Mar 96 p 6

[Unattributed report]

[FBIS Transcribed Text] The Supreme Command Headquarters is to give around five billion baht to the armed forces in the 1996 fiscal year for arms purchases, it was announced yesterday.

Supreme Command Chief-of Staff Gen Mongkhon Amphonphisit, who is chairman of a joint committee to screen the arms purchasing proposals, made the announcement.

He said the joint panel between the Supreme Command Headquarters and the Army is considering an Army proposal to buy 300 armoured tanks.

Supreme Commander Gen Wirot Saengsanit is scheduled to visit Germany tomorrow for a demonstration of HMMVY [expansion unknown] armoured tanks, he said.

He added that Gen Wirot will also pay a visit to the United States on April 6 to see the testing of US-made Stingray II light tanks, one of the possible choices for the Navy's procurement programme.

The test will show whether the new model of the Stingray has been improved or not after cracks were found in the Thai Army's Stingray I tanks about three years ago, he said.

The Navy plans to purchase 17 light tanks for its Marine Corps. The Stingray II tank is considered to be suitable for low-lying areas and soft terrain.

Meanwhile, the Air Force has proposed buying radar systems for use in air defence and air operations control missions to replace the old ones installed in Chiang Mai and Udon Thani, he said.

Thai Defense Minister Said To Freeze Work on Satellite Program

BK0104120996 Bangkok NAEO NA in Thai 31 Mar 96 pp 1, 6

[Unattributed report]

[FBIS Translated Text] A highly-placed Defense Ministry source says that Defense Minister General Chawalit Yongchaiyut has frozen all work related to the national security satellite program, also called the military satellite project, pending cabinet approval.

The source said that since Gen. Chawalit's announcement that interested parties can apply for the project, no company has made an approach. According to Gen. Chawalit's instructions, foreign firms have until 30 August to submit a bid.

A defense panel has prepared documents for interested parties listing the requirements and regulations. The conditions include a requirement that companies applying for the project must represent their respective governments so that the government can act as guarantor for damages and for the project's completion. Under this original plan, the project would use a standard British satellite. This has already been studied by a British aerospace company.

The following was proposed during a meeting of the panel in early March: Reservation of an orbital slot must be made in time for the launching of the satellite in 2000 as this takes at least three years; and concerning policy and requirements for the bidding, companies bidding for the project must represent their respective governments. Letters will be sent to the embassies of countries with expertise in satellite launching. There are about five such countries.

According to the source, the military satellite project has been stalled by political issues, especially by opposition from Police Lieutenant Colonel Thaksin Chinnawat, deputy prime minister and leader of the Phalang Tham Party, who has a vested interest in the government-commissioned satellite program. Also, the details of the proposal submitted to the cabinet by Gen. Chawalit are different from those in the document proposed by the committee. Gen. Chawalit proposed a large satellite with 24 transponders, whereas the defense panel proposed a satellite with only seven transponders. The committee proposed launching one satellite into normal orbit and another satellite into geostationary orbit. The document submitted to the cabinet by Gen. Chawalit, however, says two satellites will be launched and a third held in reserve. There are also different details concerning the benefits of the program.

The source noted: "A main objective of the program is to expand military telecommunications for use by all branches of the military as opposed to the present system, which is separated by branch. I do not know what the second and third sets of proposal by the defense minister will look like; they will no longer be the work of the committee." The source concluded that the project was originally conceived by the Supreme Command when Gen. Wichit Sukmak was defense minister. It was not submitted to the cabinet because of the high cost and lack of qualified staff to handle the program. When he took over as defense minister, Gen. Chawalit proposed a new project. He has also brought the project under the responsibility of the defense minister to make it easier to coordinate with the government. There has been no change in the composition of the Defense Ministry panel.

Thailand: Fire Breaks Out at Karen Refugee Camp; Arson Suspected

BK0104084096 Bangkok NAEO NA in Thai 1 Apr 96 p 10

[Unattributed report]

[FBIS Translated Text] On 31 March Colonel Suwit Maenmuan, commander of the Fourth Infantry Regiment task force based in Mae Sot District, Tak Province, led a team to inspect a fire at zone 8 of the Karen refugee center at Ban Huai Kalok. Some 112 shelters in the zone were burned to the ground, depriving some 500 Karen refugees of their shelters. An initial investigation indicated that the fire may have been caused by arsonists, as strangers were observed at the camp buying cigarettes and matches.

Col. Suwit said the refugees displaced by the fire would not be allowed to move to another location because that would create more problems. The Ban Huai Kalok refugee camp is located about three km from Komura camp, a current base of Burmese Government and Karen Buddhist soldiers. Karen Buddhist soldiers had declared their intention to burn down refugee camps that shelter Karen Catholics. Investigation into the fire continues.

Vietnam

SRV: Deputy Premier Comments at Meeting With U.S. Delegation

BK0104153596 Hanoi VNA in English
1444 GMT 1 Apr 96

[FBIS Transcribed Text] Hanoi VNA April 1 — Deputy Prime Minister Phan Van Khai received here today US Under Secretary of Commerce Timothy J. Hauser who is leading a group of US business people now on a working visit to Vietnam.

At the reception, Mr. Timothy J. Hauser stressed that the visit is for market research as well as to discuss with Vietnamese officials measures to boost trade relations between the two countries. He mentioned the opening of a US trade office in Hanoi, the signing of a memorandum of understanding on cooperation and the exchange of information and experts in trade law, and the continuing of negotiation to sign agreements on copyrights, trade, aviation as some of those measures.

He also briefed the deputy prime minister on the interest of American business circles in the Vietnamese market.

Deputy Prime Minister Phan Van Khai highly appreciated the increasing growth rate in the two countries' trade volume, and number of American companies and their investment capital in Vietnam over the last year.

He stated that Vietnam wants to further boost the economic and trade ties with the US, considering this as the first fine action between the countries since the normalisation of their relations last year. He said Vietnam is continuing improving its investment procedures, thus creating favourable environment for foreign investors eyeing to Vietnam's market based on the country's real requirements.

The Vietnamese Government always supports the exchange and introduction of economic procedures of each country, including the exchange of economic experts to create favourable conditions for the two countries businesspeople to conduct their business operation.

SRV: Lao Foreign Ministry Delegation Visits

BK0204154896 Hanoi VNA in English
1440 GMT 2 Apr 96

[FBIS Transcribed Text] Hanoi VNA April 2 — A delegation of the Lao Foreign Ministry led by its Deputy Minister Mr. Phongsavat Boupha has paid a week-long visit to vietnam.

While here, the Lao diplomats were received by Foreign Minister Nguyen Manh Cam, and had working sessions with the ministries of foreign affairs, trade, finance, science, technology and environment, culture and information, and other relevant Vietnamese bodies to study Vietnam's experiences in preparations for his country's admission to ASEAN.

SRV: ADB To Grant $110 Million for Upgrading Highway 1A

BK0204062696 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 29 Mar 96

[FBIS Translated Text] The Asian Development Bank will grant Vietnam a $110-million loan for a period of 40 years with an annual interest rate of one percent. The loan will be used to upgrade highway No. 1A, the section from Hanoi to Lang Son, which is 163 km long. To ensure the feasibility of the project, the Vietnamese side will contribute more than $30 million.

According to the set plan, official implementation of the project will begin in mid-May while construction will start in 1997 and will be completed in the year 2000.

SRV: Bids for Highway Reconstruction Project Detailed

BK0104151296 Hanoi VNA in English
1238 GMT 1 Apr 96

[FBIS Transcribed Text] Hanoi VNA April 1 — A difference of about 1.8 billion Japanese yen (USD [U.S. dollars] 18 million) has been revealed in the bids by both local and foreign companies to reconstruct a part of the major project to overhaul Highway Number Five between Hanoi and the port city of Haiphong in northern Vietnam, reports VIETNAM NEWS today.

The tendering process was for 31 kilometres of the 100-kilometres highway, a strategic part of the nation's economic and transport infrastructure.

The joint Vietnamese-Japanese venture Fujita-Neco-Cienco No. 1 offered the lowest bid of 3.71 billion Japanese yen (USD 37.1 million) while the highest bid of 5.565 billion Japanese yen (USD 55.6 million) came from South Korea's Ssang Yong Company.

The tendered amounts were made public here on Saturday, by Vietnam's Project Management Unit 5 (PMU 5).

The other three bidders were Vietnamese, Japanese and South Korean companies.

The winner is expected to be announced by May 25 at the latest, according to PMU General Director Dao Chi.

Chi told VIETNAM NEWS that this was the second out of three contracts for Highway 5 expansion projects with finance from Japan's Overseas Economic Cooperation Fund (OECF).

Highway 5, the strategic route that links northern Vietnam's biggest sea port to northern provinces, is slated into four parts for reconstruction and expansion with the three major parts being covered with OECF money.

The remaining 15 kilometres are covered with money from Taiwan's International Economic Cooperation Development Fund.

That 15-kilometre portion has been under reconstruction since October last year. The work was expected to be completed by the end of this year, General Director Chi said.

The first Japanese joint venture Taisei and Rotec 10 days, ago, will strengthen and expand the road bed from Hanoi's Cau Chui area to Hai Duong town a length of 47 kilometres. [sentence as received]

All three Japanese financed projects will start this year and finish by the end of 1999, PMU 5 General Director Dao said.

He added that the facilitate the rising costs for Highway 5 reconstruction, the Japanese Government has signed an agreement with Vietnam in Tokyo to increase its credit to the highway improvement project to the tune of 21 billion Japanese yen (USD 210 million).

SRV: State-Run Enterprises Classified as 'Special Category'

BK0104145996 Hanoi VNA in English
1223 GMT 1 Apr 96

[FBIS Transcribed Text] Hanoi VNA April 1 — The prime minister recently issued a decision on giving 23 state-run enterprises a 'special category' classification.

Special category enterprises must be independent state-run businesses which play a key role in the country's economy, and have a minimum legal capital of VND [Vietnamese dong] 500 billion. In addition, general directors of these enterprises will be appointed by the prime minister.

In the decision, dated March 28, 1996, the followings enterprises are classified 'special category':

The Vietnam Electricity Corp., Vietnam Coal Corp., Vietnam Oil and Gas Corp., Vietnam Cement Corp., Vietnam Maritime Corp., Vietnam Aviation Corp., Vietnam Post and Telecommunication Corp., Vietnam Rubber Corp., Vietnam Steel Corp., Vietnam Coffee Corp., Vietnam Tobacco Corp., Vietnam Paper and Pulp Corp., Vietnam Textile and Garment Corp., Northern and Southern Region Food Corps., Vietnam Chemicals Corp., Vietnam Gold and Precious Gems Corp., Vietnam Railway Union, Vietnam Petrol Corp., Vietnam Bank for Commerce, Vietnam Bank for Agriculture, and Vietnam Bank for Investment and Development.

SRV: Nonstate Economy Sector Examined

963E0010D Hanoi TAP CHI CONG SAN in Vietnamese No. 15, Nov 95 pp 44-47

[Article by Do Minh Nghia and Vu Lan]

[FBIS Translated Text] In implementing the party's renovation line on developing a multifaceted, state-managed commodity economy having a socialist orientation, new and pressing problems will arise with respect to establishing social organization and their activities. As a result of soon grasping the trend of development of reality, in 1988 the Politburo of the CPV Central Committee (Sixth Term) implemented Resolution No 16 on renovating the management policies and mechanisms with respect to the production and commercial installations subordinate to non-state economic elements. The resolution pointed out important guidelines for non-state economic development and affirmed that one of the important tasks is to build social organizations at these economic units in accord with the growth of production and business.

Almost 8 years have passed since the Politburo implemented this resolution. What is the situation like in building social organizations at the non-state production installations, and what are the problems that must be solved?

According to still incomplete statistics, as of May 1995, Vietnam had more than 20,000 non-state economic installations in many spheres with approximately 2.4 million laborers. That includes approximately 13,722 private enterprises, 5,120 limited corporations, 1,133 share corporations, and 1,386 foreign enterprises and corporations that have been issued investment permits. Although there are few large enterprises in the non-state economic sector, in 1994 this sector generated approximately 101,541 billion dong of added value, accounting for about 59.6 percent of GDP. In recent years, the small industry and hadicrafts cooperatives have declined, and new and more suitable forms of organization are being looked for. But as of 1994, there were still 6,000 cooperatives in the construction, communications and transportation, travel, and other spheres. The number of laborers in the non-state economic sector has increased constantly: 1.5 million in 1990, 2.1 million in 1993, and 2.4 million by the middle of 1995. Besides this, there are about 1 million laborers working in small family ventures and unstable occupations. The non-state economic sector has attracted approximately 22 percent of the laborers from state enterprises and organizations. Approximately 65 percent (of the 80,000 laborers) working at the joint domestic-foreign enterprises are from the state sector. In general, in the coming years, the non-state economic sector will continue to grow rapidly and attract many laborers.

The question today is how to attract and assemble the workers and laborers in this sector and in which organizations in order to spread propaganda and educate them so that they will struggle to hit the target of a prosperous people, strong country, and just and civilized society. The realities of the past several years have shown that trade union organizations are the most suitable organizations. Initially, the psychology and aspirations of the laborers in general will be to have a job, have a stable income, and maintain a good standard of living for themselves and their families. They rarely, if ever, give attention to establishing social organizations or participating in these organizations. And few of the owners of the enterprises want to have social organizations at their enterprises. Whenever the issue of establishing trade union organizations in the enterprises is posed, enterprise owners usually ignore this or ask that this be postponed, and some even try to block this. A number of enterprise owners have said that management cadres cannot participate in trade union organizations. Thus, cadres engaged in trade union work have suffered losses on many fronts: their incomes are lower and they can be fired easily or have their labor contracts rescinded.

At the same time, the trade union organizations in the various sectors and at various echelons have not given suitable attention to the movements or found suitable operating formulas and contents. The laborers do not have a clear understanding and do not see the need to participate in trade union organizations. Our state's laws are inadequate and so there is nothing binding concerning conditions between enterprise owners and state law. In short, during the period 1989-1991, the establishment of trade union organizations in the non-state economic sector encountered many difficulties, and things proceeded very slowly.

But in production and business, disagreements and conflicts over interests (above all concerning economic interests) have gradually arisen. At many joint domestic-foreign enterprises, the laborers are paid less than the minimum wage stipulated by the state. Workers must work 10-12 hours a day and are not paid overtime. The work load at many enterprises is very great, and the laborers are tense and tired. Not enough attention is given to their labor insurance and social insurance. A rather widespread situation is that the labor contracts and labor agreements between the owners and the workers are not signed. Or if they are, they are usually vague, to the disadvantage of the workers. Many enterprise owners will sign only short-term contracts so that they can easily fire workers. Often, the state's policies, measures, and laws are not implemented regularly or fully. Although the state has promulgated a Labor Code, at many enterprises neither the owners nor the workers know about it or they intentionally ignore it, with the result that this has not been implemented fully. For many reasons, a number of enterprise owners have beaten and injured laborers, which has led to fights, protracted tension, and collective strikes. Since the beginning of 1995, there have been dozens of labor strikes, particularly at the joint enterprises.

Thus, it is essential to have trade union organizations in the non-state enterprises in order to assemble the laborers. The Vietnam Labor Federation and the various-echelon trade union organizations clearly see the need for this, and the party's resolutions on this problem have gradually been expanded. The name Confederation of Trade Unions has been changed to Vietnam Labor Federation in the accord with the new situation and tasks. After the Seventh Vietnam Trade Union Congress, the Labor Federation guided the provincial and municipal labor unions in implementing suitable measures to promote the worker movement and build trade union organizations in the non-state enterprises. Laborers now understand more clearly that the trade union organizations are their collective representative in protecting the legitimate interests of laborers. They discuss things with and struggle against the enterprise owners in order to resolve the conflicts and help the laborers understand the lines, policies, and laws of the party and state. They are the place to meet, unite, and help laborers in production and daily life. Many enterprise owners are gradually beginning to see that the role played by the trade union organizations in the enterprises will help production and business expand and help avoid conflicts and disputes between owners and workers.

During the past period, spreading propaganda and mobilizing the workers and laborers in the non-state economic sector have been tied to other social movements such as providing jobs in order to increase incomes, eliminating poverty, helping each other carry out economic tasks, engaging in charitable activities, building shelters and setting up funds for the poor, and so on. Large numbers of workers and laborers have participated in these movements.

According to still incomplete data, the number of trade union organizations, trade organizations, and labor associations in recent years is as follows:

	Number Each Year			
Index	**1989-1991**	**1992**	**1993**	**1994**
Number of primary level trade union organizations	199	407	719	1740
Cooperatives, private enterprises, limited corporations, and share corporations	168	311	513	1409
Joint Domestic-Foreign Enterprises	24	54	85	135
Trade Organizations	7	42	91	196
Number of trade union members	15000	35024	55846	114554
Number of labor association members	86021	58000	49680	59190
Total number of trade union and association members	101021	93024	105526	173744
Percentage of trade union and association members as compared with the total number of workers and laborers in the non-state sector	4.46%	4.2%	5.4%	6.4%

During the first 6 months of 1995, another 496 primary-level trade unions with 36,034 members were established, of which 60 units were at joint enterprises, and 93 trade organizations were established. By the end of June 1995, there were a total of 2,432 primary-level trade unions, trade organizations, trade associations, and labor associations in the non-state economic sector with a total of 209,788 members. In general, the trade union organizations are gradually beginning to operate in an orderly manner and achieve practical results.

After several years of carrying on propaganda activities and assembling workers and labors in the non-state economic sector, a number of observations can be made:

First, getting workers and laborers to join trade union organizations, trade organizations, and labor associations is an objective necessity and an important task in the process of developing a multi-faceted economy. And this is part of the party's mass mobilization task.

Second, the forms used to get workers and laborers to join trade union organizations must be in accord with the type of enterprise: high organizational and managerial standards, skilled workers capable of working under strict technical regulations, a clear relationship between owners and workers, and so on. Examples are the private enterprises, limited corporations, share corporations, and joint domestic-foreign enterprises. The tasks of the trade union organizations in these enterprises are to educate, mobilize, control, and supervise the laborers and enterprise owners to ensure that they implement the laws and regulations of the state, help and represent the laborers when signing labor agreements and contracts, conduct negotiations and resolve conflicts and disputes between the owners and the workers in the production and business process, and protect the legitimate and legal interests of the laborers.

Third, a cooperative is a type of economic organization that is formed voluntarily. Everyone contributes capital and strength to carry on commercial production based on self-management and equality. Thus, the trade union organizations here that represent laborers must participate with those organizations that control loan and tax policies and create favorable conditions for cooperatives to engage in joint ventures and expand production and business. The trade unions must also participate in managing welfare activities, in building a wage and insurance system, and so on.

Fourth, with respect to laborers in production cooperation teams, small industry and handicrafts households, and service households, independent laborers, and those who are both owners and workers, trade organizations are the most suitable form. Trade organizations have an occupational nature and broad mass character. These organizations are involved mainly in personal activities, help people create and find jobs, link production, and help people when they encounter difficulties. The trade organizations also participate in spreading propaganda and disseminating laws. They work with the local authorities to resolve problems having to do with the legitimate interests of the laborers that are related to the law. They register and develop occupations and contribute to developing the economy and stabilizing social order and security in the localities.

Fifth, labor associations are broad mass organizations of the laborers in the small industry and handicrafts, service, and other sectors at the subward and village level. They are directly organized and guided by the ward and district trade unions. The goal of these associations is to assemble and educate the laborers concerning directly-related lines and policies, provide guidance concerning work methods, give attention to living conditions, find jobs, give attention to personal activities, and so on. The operating contents of the associations are very similar to those of the trade union organizations in the cooperatives.

In general, the organizational forms, targets, and operating contents of the various forms mentioned above are quite similar, and there is much overlap. Furthermore, the above forms are in the process of being formed and developed, and they are not yet stable. But even so, the initial results achieved in getting workers and laborers to join social organizations are very encouraging and have been of great practical benefit. Many localities such as Hanoi, Ho Chi Minh City, An Giang, Ba Ria-Vung Tau, Song Be, and Dong Nai have been developing trade unions, trade organizations, and trade associations at a rather rapid pace, and more and more people are participating. Many places have creative forms of activities and have attracted a large number of laborers. During the first 6 months of 1995, the number of members increased 25 percent as compared with the same period in 1994.

However, the percentage of workers and laborers in the non-state economic sector who are participating in trade unions, trade organizations, and trade associations is still low as compared with the total number of laborers. The contents and operating forms are still confusing and limited. The various-echelon trade union organizations need more persuasive and effective propaganda, mobilization, and operating forms. Through social activities, the trade union organizations must provide laborers with more regular and practical help, contribute to resolving the difficulties in production, business, and life, and enable the laborers to understand and join the trade unions. Laborers must be made to see that the trade union organizations really belong to them, that they are organizations by laborers and for laborers.

To do this, the trade union organizations must have a rank of good-quality cadres who have professional standards, who understand the laws, policies, and positions of the party and state, who are knowledgeable about related economic spheres, and who have the ability to mobilize the masses of laborers.

Assembling workers and laborers also refers to the party's task of mobilizing the masses and building the working class. In their activities, the trade union organizations must seek the leadership and guidance of the party committee echelons. The party committee echelons must give more attention to this and have leadership formulas suited to the trade union organizations in the new situation. A very important and pressing problem is that the party must implement concrete policies to guide building party organizations in the non-state enterprises. Only if this is done will mobilizing the masses in general and mobilizing people to join social organizations in the non-state economic sector in particular achieve results and contribute to implementing the party's renovation line.

SRV: Journalist Deplores Waste of State Budget

962E0030A Hanoi THOI BAO KINH TE VIET NAM in Vietnamese 15-28 Feb 96 p 19

[Article by Thai Duy]

[FBIS Translated Text] During the second half of the 20th Century, man has witnessed the birth of more than 100 independent countries. But with less than 5 years left before the turn of the century, the standard of living in many countries is just as bad as it was when those countries were colonies, and in some places the situation has even deteriorated. The level of poverty may be different, but the roots of this poverty are quite similar: living above economic capabilities, failing to accumulate, and piling up debt.

This is a great tragedy for poor countries. While the per capita national income is very low, people have become used to a consumer way of life and enjoy pleasures and desire expensive things. At a time when the economy is still undeveloped, the only way to become wealthy is to engage in corruption, take bribes, steal, and rob others. The ones who suffer the most are the peasants, because poor countries are all agricultural countries.

In Vietnam, poor households still account for half the population (70 percent in the remote areas and mountain areas). At the same time, in the cities some people are living way beyond their means. This danger stems from the fact that the budget is not being used to support the expansion of production. We have built too many hotels, restaurants, and offices. From the center to the localities, there are joint ventures with internationally-known beer and tobacco companies. All types of attractive advertisements encourage people to eat, drink, and smoke and wear the latest fashions. Every year, billions of dollars are used to import consumer goods and luxury items. Very expensive types of artware are sold in Vietnam. Rich people open hotels, restaurants, and coffee shops; they rarely invest in production. More than half our exports are agricultural products, but farmers continue to lead a self-sufficient way of life. They use a one-crop system that has been influenced very little by technology. There is little foreign currency, and most of it is spent to satisfy extravagant habits. Government offices compete to acquire expensive items and, without any regrets whatsoever, get rid of equipment that is still usable.

The state budget is like "temple property." Many central and local organizations have their own budgets. They use the buildings and land and other property of the state and rent out or sell these things. They collect large sums of foreign currency (by giving leases to foreigners) and pay the state only token amounts. State law prohibits holding banquets and spending budget funds on bear and cigarettes and forbids building more offices and acquiring vehicles. They obey these laws but continue to hold extravagant banquets and acquire vehicles using the so-called "self-sufficient" funds of the sector.

A UN specialist who has been working in Vietnam has expressed concern at the fact that extravagant ways have become a habit for many government officials and even people in the general population. Today, the wealthy countries control the poor countries using mainly economic means. The lessons in Africa show that the wealthy countries use money and commodities to encourage an extravagant way of life and then use money and goods to bribe officials and turn them into tools. He said that "we are like the deaf, who don't fear guns."

A specialist for the World Bank said that by living beyond our means, we are eating into our capital. According to him, "we will be eating our own flesh" if we continue to sink deeper into a consumer society as at present.

I hope that this will wake people up!

SRV: Do Muoi Asserts Socialist Path, Marxist-Leninist Ideology

BK0204101996 Hanoi Voice of Vietnam in English 1000 GMT 1 Apr 96

[FBIS Transcribed Text] Party General Secretary Do Muoi said: Vietnam will continue the chosen path of socialism, Marxist-Leninist ideology, and Ho Chi Minh thought within an administration for the people and of the people.

Mr. Muoi said that Vietnam is now staging a battle against reactionary forces which is very serious in the cause of defending national independence and the transitional period to socialism. Party leader Do Muoi's views were quoted by the Cuban weekly newspaper GRANMA in its late March issue.

SRV Defense Ministry Holds Conference on 1996 Defense Task

BK0204102496 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 31 Mar 96

[FBIS Translated Text] The Ministry of National Defense on 30 March held a conference on the 1996 national defense task for various ministries and sectors. Senior Lieutenant General Dao Dinh Luyen, member of the party Central Committee and deputy minister of national defense chaired the conference.

The conference unanimously agreed that satisfactory progress was achieved in national defense task in 1995 by various ministries and sectors, thus enabling them to continue with the task in depth and in a more concrete manner. Noteworthy is the progress made in [word indistinct] and the high sense of responsibility showed by various echelons of cadres toward security and national defense tasks in the new situation. The Ministry of National Defense urged various ministries, sectors, party affairs committees, and youth union committees to formulate supervisory resolution on the 1996 national defense task. Efforts should be made to integrate and organize courses for cadres of various echelons at the central and grass- roots levels to help them thoroughly understand the contents of various government regulations and inter-ministerial circulars on national defense, thereby heightening the awareness and sense of responsibility of each echelon. It is necessary to step up national defense education among the people and heighten the revolutionary vigilance against various schemes, the peaceful evolution, rebellion, and subversion activities of reactionary forces; consolidate and enhance self-defense quality at various organizations and grass-roots units; build reserve forces and strengthen military mobilization in accordance with the state plan; continue to perfect and foster cadres responsible for national defense in various ministries and sectors; and make supervision, guidance, and national defense work at the various ministries and sectors a routine procedure.

SRV: Foreign Minister on Past Achievements, Future Policies

962E0031A Hanoi LAO DONG in Vietnamese 15 Feb 96 p 5

[Interview with Foreign Minister Nguyen Manh Cam by Nguyen Thanh Binh, date and place not given]

[FBIS Translated Text] [Binh] In your view, what were the key factors behind the striking achievements in Vietnam's foreign relations in 1995?

[Cam] The integrated achievements in our diplomatic activities in 1995 stemmed mainly from the diplomatic line of the party and state, a line that is in accord with the trends of the age and that has been shown to be correct. These achievements are closely and dialectically related to the things that we have done in prior years.

Another factor that was just as important was that we developed this line in an active and positive manner based on promptly grasping the changes of the age and seizing the opportunities to make decisive leaps, which resulted in great changes in international relations.

In expanding relations with other countries and regions, we have reconciled points with spheres, bilateral with multi-lateral, and varied relationships and traditional relationships and skillfully used the complementary powers and mutual influences between rivals.

It would have been very difficult for us to achieve these results without the important effects of the successful renovation movement and without the close cooperation of the sectors and echelons under the unified guidance of the party and state on the diplomatic front.

[Binh] What are the main directions in Vietnam's diplomatic and cooperative relations in 1996, and would you outline our country's diplomatic strategy for the period 1996-2000?

[Cam] Our diplomatic line, with its unified themes of peace, friendship, and independence, is closely tied to the nature of the present age, which is pluralization and regional and international integration. Reality has shown that our line is correct and full of vitality. Both now and in the future, we will continue to implement this line resolutely.

The year 1996 will be a pivotal year and begin a new stage of development for our country. We have established broad diplomatic relations. In 1996, along with changing stages in our country's process of moving forward, in the diplomatic sphere we must begin creating a new age, with the main theme being the development of intensive relations and active regional and international integration. To be more specific about our diplomatic activities, diplomatic activities must take economics as the main theme. Political diplomacy must be tied closely to economic diplomacy, and diplomatic activities must focus on supporting economic development, with the results achieved in economic cooperation used to measure the results of our diplomatic activities. We must concretize and actively fulfill our international commitments and agreements, both bilateral and multi-lateral, in order to achieve practical results and increase the strength of the fatherland.

At the same time, now that we have achieved a higher international position, we have responsibilities and must participate actively in the political life of the region and world and in the activities of international organizations and forums. And we must participate in solving the worldwide problems facing mankind.

[Binh] Can you share with readers of LAO DONG a few interesting memories from your official trips abroad last year? What are your most profound and notable memories?

[Cam] One of the most moving incidents for me and something that I will never forget was the moment when the flag of the fatherland was raised to the sound of the national anthem on a bright July day in the capital of Brunei to mark Vietnam's official entry into ASEAN. That was an important landmark in the process of our becoming a part of the regional and international community.

[Binh] Based on your actual experiences, what are the challenges you face in balancing your life as a politician and minister who is always "overloaded with work" and your family life?

[Cam] That question shows that you clearly understand and sympathize with the work situation and living conditions of cadres such as myself.

To be honest, there is always a serious imbalance between my work requirements and my family life. I rarely have a chance to help at home, except for a few necessary things that require my participation. Fortunately, my wife and children are very understanding. Not only are they ready to carry out the household tasks that a husband and father should do, but they have also provided encouragement and enabled me to carry out my work with my mind at ease.

Having said that, I am sure that I am not the exception. In the face of the country's requirements today and in the face of the requirements of the tasks and present age, there are many others just like me who are "overloaded" and who have to deal with the imbalance between their work requirements and their private lives.

[Binh] What is the most important thing for a professional diplomat?

[Cam] In my view, there are many complex requirements for a diplomat in the true sense of the term. Professional diplomats must have a broad general knowledge and a positive approach so that they can promptly grasp and deal with information. They must be able to recognize and examine problems in their dialectical relationships, and of course they must have foreign language skills. But the most important thing is that they must be "calm and alert" in all situations and act in accord with the motto "put up with the invariable and respond to change" as taught by Uncle Ho.

[Binh] Besides this, isn't good health another very important factor for diplomats?

[Cam] Yes. Good health is essential for all people regardless of where they live or what they do. For diplomats, particularly at a time of opening the door, good health is even more important, because only if they are in good health will they be able to satisfy the requirements and meet the challenges of the work trips. Sometimes, they must travel long distances for long periods of time. And only if they are in good health will they be able to respond to the changes in place and time, including changes in daily life and the weather.

[Binh] Thank you, sir.

SRV: Comments on Demands To Reform, Abolish Party Leadership

963E0010B Hanoi TAP CHI CONG SAN in Vietnamese No. 15, Nov 95 pp 14-18

[Article by Bui Minh Thang]

[FBIS Translated Text] Clearly understanding that the Communist Party of Vietnam has led and organized every victory scored by our people, the enemy forces are constantly attacking and slandering the party in the hope of weakening the party's prestige and separating the party from the people.

Since the collapse of the Soviet Union and the socialist countries in Eastern Europe, anti-communists outside and a number of malcontents within the country have demanded that our party give up its leadership powers, voluntarily "shed its skin," "confess its mistakes," accept democracy and pluralism, and allow opposition political organizations to participate in leading the country. At times, their tone has been very harsh; at others, it has been very sweet. Sometimes it has been quite "militaristic." They are planning each step for the "velvet revolution" and arranging a place for our party in a "legal political reality" designed by them, a reality that is actually capitalist in nature and that will be created by the magic of the dollar and the so-called "democratic" propaganda means of the West. Some people have warned the party that "if you stubbornly cling to the old ways and do not thoroughly renovate politics, the Communist Party of Vietnam will certainly collapse and be cursed by history." They have printed documents and distributed them throughout the country in an effort to propagate these erroneous viewpoints. They have even called on people to overthrow the party. Why are they demanding that our party give up its leadership power? They often cite three reasons:

1. According to them, Marxism-Leninism is outmoded. Realistic socialism has collapsed. Vietnam must find another path and cannot continue building socialism if it wants to avoid what happened in the Soviet Union and Eastern Europe. Thus, the leadership of the CPV is no longer needed.

2. Developing a multi-faceted economy with a market mechanism is the way to avoid danger, and this is in accord with the operating laws of the world. But a multifaceted economy will necessarily lead to a pluralist political system. In such conditions, the party cannot maintain its position as sole leader. Moreover, even though the party has much experience in waging an armed struggle, it does not have any experience or skills in leading the economy.

3. If the country wants to develop rapidly, avoid becoming a lowly satellite, and become a prosperous country, it must achieve "national reconciliation and concord." But the CPV is pursuing an outmoded concept of isolation. If the party clings to "sole leadership," it will not be able to unite all the people and will just create more "distrust, resentment, and divisions."

In this short article, I want to discuss the above arguments.

1. On Marxism-Leninism and choosing the path to socialism in our country:

Several critics of Marxism have said that this ideology is an impractical theory that cannot be implemented in reality. Thus, Lenin had to make different use of it, thereby revising Marxism. It must be acknowledged that these people are really quite bold. They have been very bold in making remarks regardless of historical reality and the objective facts. They have intentionally forgotten that it was from scientifically studying the formation and development of capitalism that Marx discovered the operating laws of capitalism and pointed out that capitalism would necessarily have to be replaced by socialism. Of course, as Marx said, Marxism is not a perfect "bible" but an ideology that must be developed and supplemented in accord with the development of reality. But developing and supplementing it must be aimed at enriching it, not abolishing its basic principles. It's true that Marx just provided an outline of socialism. It was Lenin who conducted the initial tests in an economically underdeveloped country that had just been though a civil war. But the socialist reality built by the Soviet Union and a number of East European countries was not definitely not an image reflecting the mistakes of Marxism. To the contrary, that was a lively socialist reality that had the power to survive for more than half a century and that originated from the lofty humanitarian ideals mentioned by Marx. There are many reasons for its collapse, including incorrect understanding and the mechanical application of Marxism in building an economic development model. A direct reason is the offensive waged by the imperialists and the right-wing deviations and traitorous actions of a number of senior leaders. However, that does not mean that Marxism-Leninism has collapsed or that its basic principles are wrong. To the contrary, this collapse stems from failing to adhere firmly to the basic principles of Marxism-Leninism, retreating in the ideological struggle, relaxing vigilance with respect to outside enemies, and not acting in a dictatorial manner with respect to the destructive enemy forces within the country.

At times, the anti-communists divide socialism into two types, theoretical socialism and realistic socialism, in order to observe that "each type is taking a different path," that they have no connection to each other, and that they therefore lack a scientific nature. At other times, they lump both types together to conclude that because it has not been possible to implement realistic socialism, theoretical socialism (that is, Marxism-Leninism) is just an "idea" and "hypothesis" of no real value. They flippantly criticize Marxist methodology as being metaphysical and not subject to verification. But their ideology is confusing and one-sided and contains contradictions in observations and arguments.

We view Marxism-Leninism and socialism as a scientific entity. It has developed and will continue to develop in accord with the special characteristics of each country, nationality, and age, but its major principles and the main guidelines that it has outlined and predicted for the advance of human society are unchanging. Also, since the collapse of the Soviet Union and Eastern Europe, many Western scholars with an objective and scientific attitude have affirmed that Marxism is not dead, that it is still alive among people, and that the 21st Century will be the century of Marxism. A major Western futurist has predicted that the 21st Century will be the century of a computerized civilization. He has explained that with this civilization, capitalism will flood the world with material goods. And so on and so on. But the more he explains, the more he gives readers the objective impression that as the production forces expand and the amount of material goods increases, capitalism's power to hold things together will decline. Mankind cannot restrict itself to the narrow and selfish cage of capitalism but must grow in order to build, using many different means, a more humanitarian and wonderful social system. That is scientific socialism as outlined by Marx.

From the time when we were living in the dark shadow of slavery and did not have power, our party and people realized what mankind would have to pass through and chose the path of struggle for national independence and socialism. Now, the revolution for national liberation has come to an end. On the road to socialism, we have encountered many difficulties and have even made a number of mistakes, wanting to skip stages and apply the rigid economic forms of other countries. But we have discovered and corrected the mistakes in time and have learned very important and significant lessons. Just because a few people have made unreasonable demands, there is no reason for us to abandon the path to socialism or abolish the party's leadership role.

2. A multi-faceted economy and the leadership of the party:

Those who disapprove of the party's leadership say that talking about a multi-faceted commodity economy that operates in accord with a market mechanism also means talking about pluralism and a multi-party system. Politics must move in the direction of capitalism in accord with the economy. I do not agree with this. A market economy (a multi-faceted commodity economy that operates in accord with a market mechanism) is a product that was created by mankind in the process of producing and exchanging material goods. This came into being before capitalism. Capitalism created a good place for it to develop both positive and negative aspects. The error of the economic model in a number of former socialist countries was the elimination of the positive factors of the market economy. But we will be making another mistake if we continue to accept its inherent negative aspects. Our party advocates using the positive aspects of a market economy to promote a rapid rate of economic growth. But that must take place within the orbit of socialism in order to limit the negative aspects as much as possible. We advocate building a multi-faceted economy that operates in accord with a market mechanism, but this must have a socialist orientation and it must be controlled by the state and led by the communist party. The goal is to fully exploit the potential production capabilities in the country in order to have a prosperous people, strong country, and just and civilized society and not to develop in an unorganized, anarchic manner in which the strong prevail. In order to ensure that society develops in an orderly and stable manner with a socialist orientation, the party must strengthen its leadership role through state control.

Some people have said that having a pluralistic economy with a one-party political system is like being crippled, neither the economy nor politics will be strong. They forget that in our country, during the first half of the 20th Century, there were times when many parties vied with each other. The Constitutional Party, the Peasants Party, the Vietnam Restoration Party, and the Nationalist Party all existed at the same time as the communist party. But either because their lines or methods were wrong or because they could not withstand the blows of the

French colonialists, those parties eventually collapsed. Only the CPV, which had correct lines and methods and which willingly accepted every sacrifice and broke free of the shackles and overcame the weapons of the enemy, led the people of the entire country in seizing power. Once an administration had been established nationwide, in the interests of great national solidarity, the party gave a number of posts to representatives of the Nationalist Party in the coalition government during the initial days of building the country. But all they did was formulate destructive plots, and when they couldn't implement those, they stole public funds in order to flee abroad to their protectors. During the resistance against America, in the south, besides the communist party, which was pursued by the imperialists and the puppet authorities and outlawed, there were many other parties. But in that multi-party society, did any of those parties represent the multi-faceted economy of the south at that time? Did they build a democratic society in the south? At that time, wasn't there really just one ruling party that represented the comprador bourgeois forces and that served as the lackey for the aggressors and suppressed the democratic atmosphere in the country?

Those who oppose the party say that "even though it cannot accept pluralism and continues to hold leadership powers, the CPV does not have the economic leadership capabilities to lead the country out of poverty." They intentionally ignore the initial but very important achievements of the renovation movement, which is bringing the country out of its economic and social crisis. With its modesty and desire for what is good, our party has never overestimated its skills and experience in the economic sphere. But the very wise decisions of the party during the stage of changing mechanisms, when we suddenly lost our sources of aid and our familiar markets in Eastern Europe and the former Soviet Union, have kept our country's economy from collapsing and created a springboard for new growth.

The Strategy for Economic and Social Stabilization and Development to the Year 200 that was drafted by the party and passed at the Seventh Congress in 1991 has, in just 4 years, met or exceeded almost all the main norms. The 1991-1995 five-year plan predicted that GDP would grow at an average rate of 5.3-6.0 percent a year. But that has now been exceeded, with the figure being 8.2 percent. The average annual growth rate for industrial production is now 13.3 percent and that for agricultural production is 4.5 percent (as compared with 5.9 percent and 3.6 percent during the period 1986-1990). The economic structure has undergone a shift in accord with progressive guidelines: From 22.6 percent in 1990, industry and construction accounted for 30.3 percent of GDP in 1994, and services increased from 38.6 percent to 42.5 percent. The export value has increased an average of 20 percent a year. Domestic and foreign investment have been increasing constantly. We are beginning to see accumulation from within the economy. Inflation has been curbed: dropping from 67.1 percent in 1991 to 14.4 percent in 1994. The lives of the various strata of people have clearly improved.

The many well-known foreign economists and politicians who have visited Vietnam and gained an understanding of the renovation movement in our country cannot deny the sudden prosperity and advances. They predict the take off of a new dragon in the region. They recognize that the Vietnamese government has effectively macro-managed the economy and that our party—the architect and direct leader of the renovation movement—is a very brave and intelligent party. And yet, those evil people in the country who agree with the anti-communist argument abroad continue to say that our renovation movement is still incomplete. They paint our society as a "uneven society characterized by dishonest politics, a plundered economy, degraded morals, a degenerate culture, and an undisciplined and melancholy way of life that is both poisonous and anarchic."

Their attitude that what they like is good and what they hate is bad has caused them to become disloyal and subjective. Their distortions and complete denials have not fooled ordinary people who love the truth and who know that they are trying to get the party to abandon its leadership role so that they can move the country toward a "legitimate capitalist political system."

3. Party leadership and the problem of national solidarity:

Those who criticize the leadership of the party say that the fact that the party is still using Marxism-Leninism and Ho Chi Minh thought as its ideological foundation and compass for action is very outmoded and makes it impossible to bring people together and forge national solidarity. The truth is just the opposite. That is, Marxism-Leninism and Ho Chi Minh thought have brought people together and helped our people perform miracles during the past 50 years and during today's renovation movement. As the child of the patriotic movement and workers' movement, our party's only goal is to serve the interests of the working class and laboring people and of the entire nation. The great solidarity forged by the party has used the worker-peasant alliance and patriotic intellectuals as its foundation, and it has used the law-governed state of the people, by the people, and for the people as the main pillar to forge broad solidarity with other sections of the population. Believing in the party, in the past our people joined the Viet Minh, the Vietnam National

United Front, the National Front for the Liberation of South Vietnam, and so on, and today they are joining the Vietnam Fatherland Front led by the party. These are broad political and social organizations that have attracted 80-90 percent of the people in the country and that have the strength to defend the fatherland and successfully build socialism.

Unable to deny this obvious truth, the anti-communists say that "class cannot be used as the foundation" and "the majority cannot be used as the activists to forge solidarity with the minority." According to them, there must be a "round-table" type solidarity, "equality," and "agreement" with those who now oppose communism or who are presently engaged in destructive activities. Only then, they say, will there be real solidarity. That type of solidarity fits their views and serves their own purposes. In my view, we cannot implement their type of confused solidarity. The great national cause must be the key thing, as General Secretary Do Muoi has often said. We must accept those who hold other political views and those who used to be on the other sie but who are now struggling to the hit the same target, that is, a prosperous people, strong country, and just and civilized society. We are prepared to invite those with sufficient qualities to participate in managing the country. This broad acceptance in a clear and straightforward solidarity front will not only create a unified will power and confidence among the great majority of people in the country but also persuade more and more overseas Vietnamese to return to their fatherland and use their intelligence, skills, and assets to build their homeland. Those who have consented to serve as lackeys for the anti-communists abroad have threatened, slandered, and killed many patriotic Vietnamese. In California, Washington, Arlington, and Fairfax, they have pursued and ambushed people. Those who want to live in peace must portray themselves as anti-communists. Otherwise, they will kill them in their homes, as happened to Le Triet in Fairfax in 1990. And yet there are still those who say that only if our party gives up its leadership powers will it be possible to achieve solidarity with them. If not, there will be mistrust and hatred. They pretend not to know anything about the heinous crimes committed by the anti-communists in southern Vietnam during the time that the United States was waging a war of aggression here. At that time, in the south, they executed patriotic people day and night. The secret police of Ngo Dinh Nhu, Ngo Dinh Can, Tran Kim Tuyen, and others operated everywhere. They were free to arrest and kill anyone they wanted. In the central region, as many as 300,000 people were killed. The people had to put up with wretched conditions and could not complain to anyone. Millions of people were killed by American bombs and Agent Orange. Today, living in exile in the country of their protectors, the anti-communists still can't live in harmony with the hundreds of thousands of their fellow compatriots who are living there and simply say that once they have returned to Vietnam and taken power, they will be able to live in harmony with the millions of people who followed the party in waging revolution. There can be no talk of the Vietnamese nation having harmony if those traitorous elements seize power. The history of the revolution in our country and actual experiences in many countries show that only the communist party can truly represent the interests of the laboring people and nation. Only the CPV, acting in accord with Ho Chi Minh thought, has the ability to accept broad solidarity and harmony and treat everyone honestly for the common good. This is the only way to grant an unprecedented amnesty to those who committed atrocities against their compatriots 20 years ago and, in the interests of the great cause, eliminate hatred and forget the past in order to focus on the future. If power fell into the hands of the extreme rightists and anti-communists, there would be hatred, expulsions, and killings. The anti-communists argue that only if our party gives up its leadership powers will the country be able to eliminate hatred and divisions. That is a clever argument, but it is contrary to the objective truth and can fool only thoughtless people.

Our country now has a great opportunity to develop. At the same time, it also faces many great dangers. A number of outside forces are trying to implement a "peaceful evolution" plot and hoping to subvert Vietnam using dollars, which is something that the United States failed to do by force of arms 20 years ago. Through economic, investment, travel, diplomatic, and other activities, people are looking for a way to force Vietnam to change politically, eliminate the leadership of the communist party, and follow the capitalist path.

Have their sycophants who are demanding that the party give up its leadership role thought about the terrible disaster that would befall our people and country if the enemy's strategy succeeds? In my view, for our country today, strengthening party leadership is more important than ever before.

SRV: Imprisoned Buddhist Monk Reportedly 'Critically Ill'

BK0104142396 (Internet) SEASIA Listserv in English 31 Mar 96

[Statement issued by the International Buddhist Information Bureau in Paris on 30 March: "Venerable Thich

Hai Tang Faces Life-Threat in Prison — Thich Hai Tang's Father Appeals to the Hanoi Government"]

[FBIS Transcribed Text] The International Buddhist Information Bureau in Paris has been informed by sources in Hanoi's Interior Ministry sympathetic to the Buddhist cause that Venerable Thich Hai Tang (secular name Nguyen Dinh Hoa) is critically ill as a result of cruel ill-treatment in prison, near Hanoi. They believe that his life is in danger today if he is not granted independent medical access.

Arrested in connection with the demonstration of 40,000 Buddhists in Hue on May 24 1993, Thich Hai Tang was convicted to four years imprisonment along with Thich Tri Tuu, Thich Hai Thinh, Thich Hai Chanh and five Buddhist lay-followers at a trial on 15.11.1993. The one-day trial was held behind closed doors in the People's Army barracks in Hue. All nine defendants were denied legal representation, and later refused the right of appeal. The four monks were sent to Ba Sao reeducation Camp in Nam Ha Province, northern Vietnam. In August 1995, Thich Hai Tang was transferred to P.14 prison, near Hanoi.

According to the Interior Ministry sources, Thich Hai Tang has been detained for months on end in an underground solitary confinement cell and subjected to ill-treatment, intimidation and intensive psychological pressure by Security Police. Thich Hai Tang is now dangerously ill, suffering from stomach ulcers, and it is feared he will not survive without urgent surgery. However, they believe that prison authorities intend to pretext surgery as a means of suppressing Thich Hai Tang, perceived by Police to be one of the "ringleaders" of the UBCV [Unified Buddhist Church of Vietnam] movement for religious freedom.

In continuous "working sessions" over the past months, Security Police have tried to force confessions from Thich Hai Tang, pressing him to: a) renounce his support of the Unified Buddhist Church of Vietnam (UBCV) and its Patriarch Thich Huyen Quang in exchange for his release, and accept to work as an informer for the Security Police (NB: before his arrest, Thich Hai Tang was Secretary of the Quang Tri Executive Board in the State-sponsored Vietnam Buddhist Church); b) publicly denounce the Testament of the late Patriarch Thich Don Hau as a forgery, and state that it was not written by the late Patriarch before his death in 1992, but by Thich Hai Tang himself, and c) publicly declare that Thich Huyen Quang's Declarations and anti-Government statements were written by himself, not by Thich Huyen Quang.

Thich Hai Tang has reportedly resisted Police intimidation, and refused to sign any confession. He told Security Police: "I refuse to confess to any act I did not commit. One of the 250 vows taken by Buddhist monks is the vow not to tell lies. I would rather die a faithful Buddhist than save my life by telling a lie and be a slave to falsehood for the rest of my life". On March 28 1996, a letter from Thich Hai Tang's father in Quang Nam, Mr Nguyen Van Ky, was received by the Interior Ministry and other government agencies in Hanoi. In his letter, dated March 20 1996, Mr Ky made the following appeal: "1) please cease the cruel ill-treatment of my son, Thich Hai Tang; 2) please allow the monks of Linh Mu Pagoda in Hue, or Long An Pagoda in Quang Tri to chose the surgeon for my son's operation, for they are now his closest family. Do not let him be operated on by the Prison Police surgeon; 3) please allow my son to be temporarily released for medical treatment pending his recovery, for his life is hanging by a thread".

SRV: Hoa Binh Power Plant To Generate 6.4 Billion Kw/Hour.

BK0204065796 Hanoi Voice of Vietnam in English 1000 GMT 30 Mar 96

[FBIS Transcribed Text] The Hoa Binh Hydroelectric Power Plant reached a milestone on March 20 when it generated its first one billion kw/hour. The plant produces a volume of 14 million kw/hour a day. Part of the power generated at the plant has been transmitted to the south via the TransVietnam 500-kilovolt power line.

The plant plans to generate 6.4 billion kw/hour this year, or 40 percent of the national output.

SRV: Boat People Depart Philippines for Ho Chi Minh City

BK2903132996 Hanoi Voice of Vietnam in English 1000 GMT 27 Mar 96

[FBIS Transcribed Text] Thirty-seven Vietnamese boat people voluntarily repatriated to Vietnam on Tuesday. This is the second group of returnees in several weeks. They had been interned in Palawan Island, southeast of the Philippines. They returned to Ho Chi Minh City on Philippine Airlines' flight.

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